

GARWARE HI-TECH FILMS LIMITED
(Formerly known as Garware Polyester Limited)



ANNUAL REPORT
2021-22

CORPORATE INFORMATION

BOARD OF DIRECTORS

S. B. Garware (Shri) - Chairman & Managing Director (DIN: 00943822)
Monika Garware (Ms.) - Vice Chairperson & Jt. Managing Director (DIN: 00143400)
Sarita Garware Ramsay (Mrs.) - Jt. Managing Director (DIN: 00136048)
Sonia Garware (Ms.) - Non-Executive & Non-Independent Director (DIN: 00135995)
M. C. Agarwal (Dr.) - Independent Director (DIN: 02595878)
Ramesh P. Makhija (Mr.) - Independent Director (DIN: 00209869)
T. M. Parikh (Mr.) - Independent Director (DIN: 00049287)
Nilesh R. Doshi (Mr.) - Independent Director (DIN: 00249715)
Vivekanand H. Kamath (Mr.) - Independent Director (DIN: 07260441)
Devanshi H. Nanavati (Ms.) - Independent Director (DIN: 08770422)
Hemant Nikam (Mr.) - Whole -Time Director (DIN: 07517849)

CHIEF FINANCIAL OFFICER

Pradeep Mehta

COMPANY SECRETARY & VICE PRESIDENT (LEGAL)

Awaneesh Srivastava

AUDIT COMMITTEE

T. M. Parikh (Mr.)
M. C. Agarwal (Dr.)
Ramesh P. Makhija (Mr.)
Nilesh R. Doshi (Mr.)

STAKEHOLDERS' RELATIONSHIP COMMITTEE

M. C. Agarwal (Dr.)
Vivekanand H. Kamath (Mr.)
Hemant Nikam (Mr.)

NOMINATION & REMUNERATION COMMITTEE

M. C. Agarwal (Dr.)
Ramesh P. Makhija (Mr.)
T. M. Parikh (Mr.)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

M. C. Agarwal (Dr.)
Nilesh R. Doshi (Mr.)
Hemant Nikam (Mr.)

RISK MANAGEMENT COMMITTEE

M. C. Agarwal (Dr.)
Ramesh P. Makhija (Mr.)
T. M. Parikh (Mr.)
Pradeep Mehta (Mr.)
Sunil Wadikar (Mr.)

BANKERS

Indian Overseas Bank
Bank of Baroda
Bank of India
The Federal Bank Limited

STATUTORY AUDITORS

M/s. Manubhai & Shah, LLP
Chartered Accountants (Mumbai)
M/s. Kirtane & Pandit, LLP
Chartered Accountants (Mumbai)

SOLICITORS & ADVOCATES

Crawford Bayley & Co. (Mumbai)

REGISTRARS & TRANSFER AGENTS

Link Intime India Private Limited, Mumbai.

REGISTERED OFFICE

Naigaon, Post Waluj, Aurangabad - 431 133.

CORPORATE OFFICE

Garware House, 50-A, Swami Nityanand Marg, Vile Parle (East), Mumbai - 400 057.

WORKS

- 1) L- 5 & L- 6, Chikalthana Industrial Area, Dr. Abasaheb Garware Marg, Aurangabad - 431 210.
- 2) Naigaon, Post Waluj, Aurangabad - 431 133.
- 3) A-1 & A-2, MIDC, Ambad, Nashik - 422 010.

OFFICES

- 1) 1203, Suryakiran Building, Kasturba Gandhi Marg, New Delhi - 110001.
- 2) Old No. 37, New No. 55, Ambercrest, 4th Floor, Pantheon Road Lane Egmore, Chennai - 600 008

OVERSEAS OFFICE

- 1) Unit 1-05, 1-06, The Plaza, 535, Kings Road, London - SW10 0SZ.
- 2) 101, Lake Forest Blvd. Street No. 410, Gaithersburg MD, 20877, U.S.A.

WEBSITE

www.garwarehitechfilms.com

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NOTICE

GARWARE HI-TECH FILMS LIMITED

(Formerly known as Garware Polyester Limited)

CIN: L10889MH1957PLC010889

Registered Office: Naigaon, Post Waluj, Aurangabad – 431 133.

Website: www.garwarehitechfilms.com Email: cs@garwarehitech.com

Tel. No.: 022 6698 8000.

Notice is hereby given that the 65th Annual General Meeting (“AGM”) of the members of Garware Hi-Tech Films Limited (Formerly known as Garware Polyester Limited) will be held on Tuesday, September 27, 2022 at 11.30 a.m (IST). at the Registered Office of the Company situated at Naigaon, Post Waluj, Aurangabad – 431133 to transact the following businesses:

ORDINARY BUSINESS:

1. Adoption of Audited Standalone and Consolidated Financial Statements

To consider and adopt:

- The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and Auditors thereon; and
- The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 together with the report of the Auditors thereon.

2. Declaration of Final Dividend

To declare Final Dividend on equity shares for the financial year ended March 31, 2022.

3. Re-appointment of Ms. Monika Garware (DIN: 00143400) as Director, liable to retire by rotation

To appoint a Director in place of Ms. Monika Garware (DIN: 00143400), who retires by rotation and being eligible, offers herself for re-appointment in terms of Section 152(6) of the Companies Act, 2013.

4. Re-Appointment of Joint Statutory Auditor of the Company

To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution.

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Audit and auditors) Rules, 2014 (including any statutory modification(s) or re-enactment there of for the time being in force), M/s. Kirtane & Pandit LLP (FRN:105215W/W100057) Chartered Accountants, be and are hereby re-appointed as a Joint Statutory Auditors of the Company for a period of three years, to hold office from the conclusion of the 65th Annual General Meeting until the conclusion of 68th Annual General Meeting on such remuneration, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Joint Statutory Auditors from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

SPECIAL BUSINESS:

5. Ratification of the remuneration of Cost Auditors

To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company hereby ratifies the remuneration of ₹ 3,00,000/- (Rupees Three Lakhs only) plus taxes and reimbursement of out of pocket expenses at actuals, if any, incurred in connection with the audit, to M/s. M. R. Pandit & Co., Cost Accountants (Firm Registration No. 00268) who were appointed by the Board of Directors as Cost Auditors of the Company, based on recommendations of Audit Committee, to conduct cost audits relating to cost records of the Company for the financial year ending March 31, 2023.

RESOLVED FURTHER THAT the Board of Directors (including Committee thereof) and/ or Company Secretary of the Company, be and is hereby authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution.”

By order of the Board of Directors
For **Garware Hi-Tech Films Limited**
(Formerly known as Garware Polyester Limited)

Awaneesh Srivastava
Company Secretary
(ICSI M. No. FCS 8513)

Place: Mumbai
Date: August 4, 2022

Registered Office:

Naigaon, Post Waluj, Aurangabad – 431 133.

Notes:

- The AGM will be held at the said venue by strictly adhering to the Social Distancing Norms and Other Safety Protocols including face masks, hand sanitization etc. as per the latest guidelines / advisories / SOP's issued by the Ministry of Health & Family Welfare, Government of India and the State Govt. amid COVID-19 Pandemic. Entry to the venue will be made on 'first come first basis' according to the maximum permissible limit for a gathering at a place. The Company has taken necessary approval from the local authority to convene the meeting.
- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE 'MEETING') IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND TO VOTE ONLY ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to Section 105 of the Companies Act, 2013, person can act as a proxy on behalf of members not exceeding 50 (fifty) in number and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. A Member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other Member.

If a Proxy is appointed for more than 50 (fifty) Members, the Proxy shall choose any 50 (fifty) Members and confirm the same to the Company not later than 48 (forty-eight) hours before the commencement of the meeting. In case, if the Proxy fails to do so, only the first 50 (fifty) proxies received by the Company shall be considered as valid.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 (forty-eight) hours before the commencement of the meeting.

A Proxy Form is attached herewith. Proxies submitted on behalf of the companies, societies, body corporate etc., must be supported by an appropriate resolution/authority, as applicable.

3. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 4 & 5 of the Notice is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations ("Listing Regulations") and Secretarial Standards -2 on General Meetings issued by the Institute of Company Secretaries of India ("SS-2"), in respect of Directors seeking appointment/re-appointment at the AGM is provided as annexure to the Notice.
4. Members desiring any information on the business to be transacted at the Meeting are requested to write to the Company at least 15 days in advance to enable the Management to keep the information, as far as possible, ready at the Meeting.
5. Members / Proxies / Authorized Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
6. **Book Closure and Dividend:**

The Register of Members and the Share Transfer Books of the Company will be closed from Wednesday September 21, 2022 to Tuesday, September 27, 2022 (both days inclusive) for the purpose of this AGM and for determining entitlement of members to final dividend for the financial year ended March 31, 2022, if approved at the AGM.

The final dividend of ₹ 10/- per equity share of ₹ 10/- each (100%), if declared at the AGM, will be paid subject to deduction of Income tax at source ("TDS") on or after Wednesday, September 28, 2022.

- (a) To all the Beneficial Owners as on Tuesday, September 20, 2022, as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and

- (b) To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company as on Tuesday September 20, 2022.

Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Members, subject to availability of postal services and /or courier services.

7. Further, in order to receive the dividend in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to send the following documents to our RTA - Link Intime India Private Limited, at C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400 083, latest by Thursday September 15, 2022:
 - (a) A signed request letter by the first holder, mentioning the name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
 - i) Name of Bank and Bank Branch;
 - ii) Bank Account Number & Type allotted by your bank after implementation of Core Banking Solutions; and
 - iii) 11-digit IFSC Code.
 - iv) 9-digit MICR Code
 - (b) Original cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
 - (c) Self-attested copy of the PAN Card; and
 - (d) Self-attested copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs.

8. **Income Tax Deductible at Source / Withholding tax:**

Pursuant to the requirement of the Income Tax Act, 1961, the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status of the shareholder and documents submitted by shareholder with the Company/ RTA/ Depository Participant.

A. Resident Shareholders:

(i) Income Tax Deductible at Source for Resident Shareholders

Sr. No.	Particulars	Withholding tax rate	Documents required (if any) / Remarks
1.	Valid PAN updated in the Company's Register of Members	10%	No document required. If dividend does not exceed ₹ 5,000/-, no TDS/ withholding tax will be deducted.
2.	No PAN/Valid PAN not updated in the Company's Register of Members	20%	TDS/ Withholding tax will be deducted, regardless of dividend amount, if PAN of the shareholder is not registered with the Company/ RTA/ Depository Participant. All the shareholders are requested to update, on or before Saturday September 10, 2022, their PAN with their Depository Participant (if shares are held in electronic form) and Company / RTA (if shares are held in physical form). Please quote all the folio numbers under which you hold your shares while updating the records.
3.	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of the Income Tax Act, 1961	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority to be submitted on or before Saturday September 10, 2022

(ii) No Income Tax Deductible at Source on dividend payment to resident shareholders if the Shareholders submit following documents as mentioned in column no.4 of the below table with the Company / RTA/Depository Participant on or before Saturday September 10, 2022.

Sr. No. (1)	Particulars (2)	Withholding tax rate (3)	Documents required (if any) / Remarks (4)
1.	Submission of form 15G/15H	NIL	Declaration in Form No. 15G (applicable to an individual who is below 60 years) / Form 15H (applicable to an individual who is 60 years and above), fulfilling certain conditions
2.	Shareholders to whom section 194 of the Income Tax, 1961 does not apply as per second proviso to section 194 such as LIC, GIC. etc.	NIL	Documentary evidence for exemption u/s 194 of the Income Tax Act, 1961
3.	Shareholder covered u/s 196 of the Income Tax Act, 1961 such as Government, RBI, corporations established by Central Act & mutual funds.	NIL	Documentary evidence for coverage u/s 196 of the Income Tax Act, 1961
4.	Category I and II Alternate Investment Fund	NIL	SEBI registration certificate to claim benefit under section 197A (1F) of Income Tax Act, 1961
5.	<ul style="list-style-type: none"> • Recognised provident funds • Approved superannuation fund • Approved gratuity fund 	NIL	Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT)
6.	National Pension Scheme	NIL	No TDS/ withholding tax as per section 197A (1E) of the Income Tax Act, 1961
7.	Any resident shareholder exempted from TDS deduction as per the provisions of the Income Tax Act or by any other law or notification	NIL	Necessary documentary evidence substantiating exemption from deduction of TDS

B. Non-Resident Shareholders:

The table below shows the withholding tax on dividend payment to non-resident shareholders who submit, on or before **Saturday September 10, 2022**, the following document(s), as mentioned in column no. 4 of the below table, to the Company / RTA. In case all necessary documents are not submitted, then the TDS/ Withholding tax will be deducted @ 20% (plus applicable surcharge and cess).

Sr. No. (1)	Particulars (2)	Withholding tax rate (3)	Documents required (if any) / Remarks (4)
1.	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) / Other Non- Resident shareholders	20% (plus applicable surcharge and cess) or tax treaty rate, whichever is beneficial	FPI registration certificate in case of FIIs / FPIs. To avail beneficial rate of tax treaty following tax documents would be required: 1. Tax Residency certificate issued by revenue authority of country of residence of shareholder for the year in which dividend is received 2. PAN or declaration as per Rule 37BC of Income Tax Rules, 1962 in a specified format. 3. Form 10F filled & duly signed 4. Self-declaration for non-existence of permanent establishment/ fixed base in India (Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non-Resident shareholder and review to the satisfaction of the Company)
2.	Indian Branch of a Foreign Bank	NIL	Lower tax deduction certificate u/s 195(3) obtained from Income Tax Authority Self-declaration confirming that the income is received on its own account and not on behalf of the Foreign Bank and the same will be included in taxable income of the branch in India
3.	Availability of Lower/NIL tax deduction certificate issued by Income Tax Authority	Rate specified in certificate	Lower tax deduction certificate obtained from Income Tax Authority
4.	Any non-resident shareholder exempted from WHT deduction as per the provisions of the Income Tax Act or any other law such as the United Nations (Privileges and Immunities) Act 1947, etc.	NIL	Necessary documentary evidence substantiating exemption from WHT deduction

- Application of TDS rate is subject to necessary verification by the Company of the shareholder details as available in Register of Members as on the Record Date, and other documents available with the Company/ RTA.
- In case TDS is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund.
- No TDS will be deducted in case of resident individual shareholders who furnish their PAN details and whose dividend does not exceed ₹ 5,000/-. However, where the PAN is not updated in Company/ RTA/ Depository Participant records or in case of an invalid PAN, the Company will deduct TDS u/s 194 without considering the exemption limit of ₹ 5,000/-. All the shareholders are requested to update their PAN with their Depository Participant (if shares are held in electronic form) and RTA (if shares are held in physical form) against all their folio holdings on or before **Saturday September 10, 2022**.
- In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, such shareholder will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.

This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them. No communication would be accepted from members after **Saturday September 10, 2022**, tax withholding matters.

9. Transfer of Unclaimed Dividend Amounts to the Investor Education and Protection Fund (IEPF):

- Pursuant to the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends that are unpaid or unclaimed for a period of 7 (seven) years from the date of their transfer are required to be transferred by the Company to the IEPF, administered by the Central Government. Further, according to the said IEPF Rules, shares in respect of which dividend has not been claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

- (b) The dividend amount and shares transferred to the IEPF can be claimed by the concerned members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The details of the unclaimed dividends are also available on the Company's website at www.garwarehitechfilms.com and the said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link www.iepf.gov.in. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on www.iepf.gov.in.
10. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, at rnt.helpdesk@linkintime.co.in for assistance in this regard.
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their Depository Participant ("DP") in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.
12. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. The said forms can be downloaded from the RTA's website at <https://linkintime.co.in>. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting your folio no.
13. A route map showing directions to reach the venue of the 65th AGM is given along with this Annual Report as per the requirement of "Secretarial Standard-2" on General Meeting.
14. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and had issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this initiative of the Government in full measure members are requested to register their e-mail address in respect of electronic holdings with the Depository through their concerned Depository Participants. A member who holds shares in physical form are requested to send their e-mail address to the Registrar and Share Transfer Agent of the Company.

Registrar and Share Transfer Agent

Link Intime India Private Limited
(Unit: Garware Hi- Tech Films Limited)

C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai - 400 083.
Tel No. 022- 491 86000; Fax: 022- 491 86060.
Email: rnt.helpdesk@linkintime.co.in

Electronic copy of the Annual Report for the Financial Year 2021-22 and Notice of the 65th Annual General Meeting of the Company *inter-alia* indicating the process and manner of electronic voting ('e-voting') along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the Financial Year 2021-22 and Notice of the 65th Annual General Meeting of the Company *inter-alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent by the permitted mode.

15. Members may note that this Notice and Annual Report shall also be available on the Company's website at www.garwarehitechfilms.com, websites of the Stock Exchange where Company's shares are listed i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Ltd (NSE) at www.nseindia.com and Notice of the AGM is also available on the website of National Securities Depository Limited ('NSDL') at www.evoting.nsdl.com.
16. **Voting through electronic means**
- (a) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended from time to time, the Company is pleased to provide members facility to exercise their right to vote at the 65th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- (b) The facility for voting through poll paper shall be made available at the venue of the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through poll paper.
- (c) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (d) The remote e-voting period begins on Friday, September 23, 2022 at 9:00 AM IST and ends on Monday, September 26, 2022 at 5:00 PM (IST). During this period, members of the Company, holding shares, either in physical form or in dematerialized form, as on the cut-off date of Tuesday, September 20, 2022, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Tuesday, September 20, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

- (e) A person who is not a member as on the cut-off date should treat this notice for information purpose only.
- (f) The instructions for members for remote e-Voting are as under:

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

Step 2: Cast your vote electronically on NSDL e-Voting system.

Step 1: Access to NSDL e-Voting system:

(A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.
	<ol style="list-style-type: none"> 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Once you -click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

How to Log-in to NSDL e-Voting website?

- i. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- ii. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
- iii. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- iv. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then your user ID is 101456001***

- v. Password details for shareholders other than Individual shareholders are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will prompt you to change your password.
 - c. How to retrieve your ‘initial password’?
 - i. If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Kindly trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your ‘User ID’ and your ‘initial password’.
 - ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
 - iii. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 - iv. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 - v. Now, you will have to click on “Login” button.
 - vi. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system

How to cast your vote electronically on NSDL e-Voting system?

- i. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
- ii. Select “EVEN” of the Company for which you wish to cast your vote during the remote e-Voting period.
- iii. Now you are ready for e-Voting as the Voting page opens.
- iv. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- v. Upon confirmation, the message “Vote cast successfully” will be displayed.
- vi. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- vii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- i. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@garwarehitech.com.
- ii. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@garwarehitech.com. If you are an Individual shareholder- holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
- iii. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- iv. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

General Guidelines for shareholders

- i. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to nilesh@ngshah.com with a copy marked to evoting@nsdl.co.in.
- ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon

five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

- iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in.
- iv. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date (record date) of Tuesday, September 20, 2022.
- v. M/s. Nilesh Shah & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner.
- vi. The Scrutinizer shall after the conclusion of voting at an AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and will make, not later than 48 hours of the conclusion of an AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, submit it to the Chairman of the Company or in his absence to a person authorised by him in writing, who shall counter sign the Scrutinizer’s Report and shall declare the result forthwith.
- vii. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.garwarehitechfilms.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in this behalf. The results shall also be uploaded on the BSE Listing Portal.

17. Updation of Members’ Details:

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company / Share Registrars and Transfer Agents to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. Members holding shares in physical form are requested to submit the details to the Company at cs@garwarehitech.com or Link Intime India Private Limited. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.

By order of the Board of Directors
For **Garware Hi-Tech Films Limited**
(Formerly known as Garware Polyester Limited)

Awaneesh Srivastava
Company Secretary
(ICSI M. No. FCS 8513)

Place: Mumbai
Date: August 4, 2022

Registered Office:
Naigaon, Post Waluj,
Aurangabad – 431 133.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 4

Members of the Company had approved the appointment of M/s. Kirtane & Pandit LLP (FRN:105215W/W100057), Chartered Accountants as the Statutory Auditors at the 62nd (Sixty-Second) AGM of the Company held on 25th September, 2019 which is valid till 65th (Sixty-Fifth) AGM of the Company.

Pursuant to Section 139(2) of the Act, M/s. Kirtane & Pandit LLP (FRN:105215W/W100057), Chartered Accountants, are proposed to be re-appointed as Joint Statutory Auditors of the Company for a period of 3 (three) years commencing from the conclusion of this 65th (Sixty-Fifth) AGM till the conclusion of 68th (Sixty-Eight) AGM.

M/s. Kirtane & Pandit LLP (FRN:105215W/W100057), Chartered Accountants have given their consent and confirmed that their re-appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act, and Companies (Audit and Auditors) Rules, 2014, as amended from time to time. They have further confirmed that they are not disqualified to be reappointed as statutory auditor in terms of the provisions of the Sections 139(1), 141(2) and 141(3) of the Act, and the provisions of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time.

The amended provisions of the Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 by the Companies (Amendment) Act, 2017 and the Companies (Audit and Auditors) Amendment Rules, 2018 respectively, omitted the provisions relating to annual ratification of the Auditors with effect from 7th May, 2018.

As such, the appointment of Auditors is not required to be ratified each year at the Annual General Meeting of the Company and accordingly, M/s. Kirtane & Pandit LLP, Chartered Accountants (Firm Registration Number:105215W/ W100057) shall hold office for a consecutive period of 3 (three) years until the conclusion of 68th (Sixty Eight) Annual General Meeting of the Company to be held for the financial year 2024-25 without following the requirement of ratification of their appointment every year.

The proposed remuneration to be paid to M/s. Kirtane & Pandit LLP, Chartered Accountants (Firm Registration Number:105215W/ W100057), for the financial year 2022-23 is ₹ 14.00 Lakhs plus out of pocket expenses and applicable taxes, if any. For the subsequent years, the Board of Directors will decide the remuneration based on recommendations of Audit Committee.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this Resolution.

The Board, on the recommendation of the Audit Committee, recommends the resolution set forth in Item No. 4 of the notice for approval of the members.

ITEM NO. 5

Ratification of the remuneration of Cost Auditors

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of M/s. M. R. Pandit & Co., Cost Accountants, to conduct the audit of the Cost Records of the Company for the financial year ending March 31, 2023.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration recommended by the Audit Committee under Rule 14 (a) (i) shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for approval of the remuneration of ₹ 3,00,000/- (Rupees Three Lakhs only) plus taxes and reimbursement of out of pocket expenses at actuals, if any, payable to the Cost Auditors, for the financial year ending March 31, 2023.

The Board recommends the Ordinary Resolution as set out at Item No. 5 of the Notice for approval by the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is / are in anyway concerned or interested, financially or otherwise, in this resolution.

By order of the Board of Directors
For **Garware Hi-Tech Films Limited**
(Formerly known as Garware Polyester Limited)

Awaneesh Srivastava
Company Secretary
(ICSI M. No. FCS 8513)

Place: Mumbai
Date: August 4, 2022

As required under Regulation 36(3) of the Listing Regulations and the SS-2 as laid down by The Institute of Company Secretaries of India, additional information relating to the particulars of Directors who are proposed to be appointed/re-appointed are given below.

Name of the Director	Ms. Monika Garware
Date of Birth	June 4, 1963
Age	59 years
Date of Appointment on the Board	March 31, 1989
Qualifications	M. B. A from U.S.A.
Brief resume of the director	<p>She is graduated from Vasaar College, in U.S.A. and subsequently completed her M.B.A. degree from Lubin Business School, Pace University, New York, U.S.A.</p> <p>With her immense knowledge and experience, she is managing the function of corporate affairs division of the Company.</p> <p>She has been associated with the Company as a Whole Time Director since April, 1989. Since then, she has been effectively and efficiently discharging her duties and responsibilities to the Company.</p>
Experience / Expertise in specific functional areas	<p>More than four decades of diverse experience in managing Corporate Finance and Strategies.</p> <p>She devises new approaches to boost Company growth and revenue. She exercises oversight over cost controls to meet budget restrictions and maximise profitability.</p> <p>She works closely with the wealth advisors to supervise and develop investment strategies, evaluate and analyse the investment performance and benchmark portfolio composition to maximise returns on investments.</p>
Terms and conditions of appointment/re-appointment	Executive Director (Joint Managing Director), liable to retire by rotation.
Details of remuneration sought to be paid	NA
Details of remuneration last drawn (Financial Year 2021-22)	₹ 700.68 Lakhs (It includes Salary, Perquisites & Allowances, Retirement Benefits & Commission)
Number of Meetings of the Board attended during the year	4 out of 4
Directorship(s) held in other public companies	NIL
Chairmanships / Memberships of Committees of other public companies (includes only Audit & Stakeholders Relationship Committee)	NIL
Disclosure of relationship with other Directors and Key Managerial Personnel (KMP) inter-se	She is daughter of Shri Shashikant Garware and sister of Mrs. Sarita Garware Ramsay and Ms. Sonia Garware.
Shareholding in the Company as on 31/03/2022	2,67,504
Listed companies from which the person has resigned in the past three years	-

DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2022

To the Members,

The Directors present the 65th Annual Report of Garware Hi-Tech Films Limited (the Company or GHFL) along with the Audited Financial Statement for the year ended March 31, 2022.

1. FINANCIAL RESULTS

(₹ in Crore)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Operating Profit before interest & Depreciation	267.81	222.74	277.49	233.65
Less: Finance Cost	(17.15)	(18.37)	(18.24)	(19.59)
Depreciation	(28.07)	(23.84)	(28.19)	(23.98)
Profit before tax	222.59	180.53	231.06	190.08
Provision for Income Tax	(62.39)	(61.83)	(63.88)	(64.13)
Profit After Tax	160.20	118.70	167.18	125.95
Other Comprehensive income (Net of Tax)	3.48	33.67	3.48	33.67
Total Comprehensive Income	163.68	152.37	170.66	159.62
Opening balance in Retained Earnings	568.50	450.85	583.12	458.22
Closing Balance in Retained Earnings	702.86	568.50	724.46	583.12

2. DIVIDEND

The Directors are pleased to recommend a Dividend of ₹ 10 per equity share of face value of ₹ 10/- each (100%) for the financial year ended March 31, 2022 on paid-up share capital of the Company.

The Dividend is subject to the approval of the Members at the 65th Annual General Meeting. The dividend of ₹ 10/- per equity share of ₹ 10/- each will amount to ₹ 23.23 Crore.

In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source.

The dividend recommended is in accordance with the Dividend Distribution Policy of the Company. The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is available on the Company's website at www.garwarehitechfilms.com.

3. TRANSFER TO RESERVES

The Company do not propose to transfer any amount to General Reserve.

4. CHANGE IN NAME OF THE COMPANY

The name of the Company has been changed from 'Garware Polyester Limited' to 'Garware Hi-Tech Films Limited' with effect from April 20, 2021 vide fresh Certificate of Incorporation pursuant to change of name issued by the Registrar of Companies, Mumbai. The new name of the Company does not represent any change in the existing business activities of the Company. However, the name change is aligned with majority of specialty products which contributed 62.99% of the total revenue for calendar year 2020 (i.e., January 01, 2020 to December 31, 2020).

5. NSE LISTING UPDATE

The Company was listed on BSE Limited (BSE). During the year, the Company made an application for direct listing on Main Board of National Stock Exchange of India Limited (NSE) and received approval from National Stock Exchange of India Limited (NSE) for listing of its 2,32,32,394 Equity Shares on the Main Board of NSE vide it letter No. NSE/LIST/57 dated February 01, 2022.

The Equity Shares of the Company traded on NSE from the trading hours of Thursday, February 03, 2022 and the designated symbol shall be "GRWRHITECH".

Now the Company is Listed on both the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

6. COMPANY'S PERFORMANCE

(₹ in Crore)

Particulars	Standalone			Consolidated		
	2021-22	2020-21	Change	2021-22	2020-21	Change
Revenue from Operation	1,263.97	960.39	32%	1,302.63	989.03	32%
Earnings before interest, tax, depreciation, and amortization (EBITDA)	267.81	222.74	20%	277.49	233.65	19%
Profit After Tax (PAT)	160.20	118.70	35%	167.18	125.95	33%
Total Comprehensive Income	163.68	152.37	7%	170.66	159.62	7%
Earnings per equity shares of ₹ 10 each	68.96	51.09	35%	71.96	54.21	33%

7. STATE OF COMPANY'S AFFAIRS AND BUSINESS REVIEW

The details of the Company's affairs including its operations are more specifically given in the Management Discussion and Analysis Report, which forms part of this Report.

8. COVID-19

The Covid-19 pandemic, continued to be global challenge, creating disruption across the globe. Most of the countries successfully completed the vaccination programme for the protection of the people and to break the chain of the virus spread.

The Company launched vaccination drive for its employees and their families to ensure the safety and well-being of the associates and their families.

9. SHARE CAPITAL

The paid-up Equity Share Capital as at March 31, 2022 stood at ₹ 23.23 Crore. During the year, there was no change in the Share Capital of the Company. The Company neither issued any shares nor has granted any Stock Options or any Sweat Equity Shares during the year.

10. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There has been no material change/commitment affecting the financial position of the Company during the period from the end of the financial year on March 31, 2022 to the date of this Report. There has been no change in the nature of business of the Company.

11. OPERATIONS

The Company's Standalone Profit before tax increased by 23% because of higher volume, better sales realisation & product mix in expanded market mainly under USA, better inventory management, better working capital management, improved plant efficiency. These factors has helped the Company to improve its' performance and bottom line profitability in spite of impact of Second and Third wave of COVID-19.

12. FUTURE OUTLOOK

The Company has successfully commenced the production of Surface Protection Film / Paint Protection film manufacturing facility in previous year and Company has also undertaken expansion for Sun control Films which is expected to be commissioned in FY 2022-23. This will positively impact the Revenues and Profitability in coming years.

13. RESEARCH & DEVELOPMENT

Your Company's R&D Centre is accredited by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India for decades. Your Company is an aggressive leader in development of new products and new applications for BOPET Films and Solar Control Window Films, Lidding Films and Paint Protective Film (PPF) for Automobile.

The Company has introduced many Coated Products, like Antimicrobial PET film and Flame Retardant PET film, solar back-sheet component films, Co Extruded Products, PETG Shrink Films for label applications with Low, Medium High Shrink film and Post-Consumer Recycled (PCR) shrink film. A wide range of high heat rejection films are introduced in International Market.

The R&D team works hand-in-hand with production and marketing team to introduce and establish new products and to ensure proper Quality, Output, Cost and efficiency is achieved. The R&D also focused on cost reduction measures by introducing new methods in processes.

Functioning of R&D Centre

The R&D Centre is well equipped with qualified and experienced Technical experts and scientists and with adequate lab and measuring equipment/s and pilot scale plant/s to develop application-oriented processes and product developments using the available R&D facility.

14. INFORMATION TECHNOLOGY

- The Company has completed project for digital transformation of its ERP System by upgrading its Core ERP system on to SAP S4HANA 1909 and Put to use and achieved desired servers system performance.
- The digital transformation project of implementation of supply chain efficiency enhancement and collaboration solutions like implementation of Planning Solutions, Vendor Portal and Customer Portal are under progress.
- The Company has implemented advanced solutions with online meeting and video conferencing for multiple location.
- The Company has upgraded its internet connectivity services at all locations for fast and effective communication.
- The Company has worked on centralized located systems for monitoring and recording of CCTV surveillance systems for all the production facilities and premisses.
- The Company has upgraded network equipment's and devices at Factory premises for internet connectivity.
- The Company is in process of Implementation of ITSM solution for IT support and system monitoring as a tool for faster IT services.
- The Company is evaluating IOT Solutions for energy management which includes energy monitoring, control and saving.
- The Company has used digital technology and GPS system for monitoring and compliances of COVID-19 and achieved very good result in control of COVID-19.
- The Company has implemented mobile enabled digital applications for employee self-services, digital solutions for visitor's management.
- The Company has implemented online solution for accidents reporting and actions tracking within factory premises and effectively used.
- The Company is in process of evaluating people and vehicle tracking system within factory premises.
- The Company is in process of evaluating the implementation of ISO 27001 along with ITIL Framework for enhanced information security and IT service management.

15. AWARDS AND RECOGNITIONS

During the year, your Company has been recipient of Safety Award at National Level from DG-FASLI Govt. of India, Ministry of Labour and Employment and State Level from Maharashtra State Chapter of National Safety Council for Lowest accident average accident frequency rate – A Plaque & longest accident-free period – A Plaque.

16. HUMAN RESOURCE DEVELOPMENT

Your Company's Human Resources team successfully ran its talent acquisition, retention, and development agenda during the year.

The Company's senior management team is strengthened through hiring of leaders in various domains. The Company's HR policies and processes are aligned to effectively drive its business and other emerging opportunities.

HR has been working to provide an enabling working environment where innovation and performance thrive. Employees are empowered and we believe that it is they who ultimately deliver the results.

The focus on employee development through training modules that were created in-house continued. In spite of Covid-19 pandemic more than 150 training programs (including E-learning) were conducted during the year, over 98 % (Previous Year 86 %) of them through in-house trainers and business leaders. The programs added up to over 12361 (Previous Year 5673) man-hours 1545 (Previous Year 709) man-days of training. This has been achieved by continuously investing in learning and development programs by arranging target-oriented training programs, creating appropriate work environment and maintaining a structured recognition system.

17. MANUFACTURING AND QUALITY INITIATIVES

The Company has adopted an integrated approach of Quality Management systems comprises of TQM, TPM, Lean and six sigma. The external professionals are also appointed to audit the effectiveness of the systems put in place. The quality culture of your Company ensures that the products are benchmarked as best in class by the customers.

The upgradation of plant and machinery helped Company to establish its capacity with appropriate quality and improved reliability.

18. SUBSIDIARY COMPANIES

The Company has two subsidiaries as on March 31, 2022. During the year, the name of the material subsidiary Company in USA has been changed from 'Global Pet Films Inc.' to 'Global Hi-Tech Films Inc.' and said Company has appointed two Directors Mr. Tushar Parikh (Nominee of Holding Company) and Mr. Milind Tilak (an employee of the Global Hi-Tech Films Inc.) on its board.

Further, name of the subsidiary of the Company in United Kingdom has been changed from 'Garware Polyester International Limited' to 'Garware Hi-Tech Films International Limited' and said Company has appointed Mr. Tushar Parikh (Nominee of Holding Company) as Director on its Board.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Subsidiaries (in Form AOC-1) is attached to the financial statements.

19. SAFETY, HEALTH & ENVIRONMENTAL PROTECTION

Being a Responsible Corporate Citizen, your Company has regularly undertaken various initiatives for the continual improvement in Health, Safety and Environment (HSE) at the works and surrounding areas. This year we marked our presence by helping the community in the pandemic time by doing disinfection in various localities as demanded by the local authorities. The Company has set up a 125-oxygen bedded COVID care centre in order to cater to any further waves of the pandemic (if any). The centre is equipped with all the facilities to deal with pandemic.

Some of the prominent regular activities include—Safety audits of Thermic Fluid system and Electrical System by external expertise, HAZOP study of the process, Internal Safety survey of Plants, Field Safety round, monthly Safety review meetings, EMS review, training and periodical HSE inspections, schemes on the efficient usage of energy and the conservation of natural resources, activities for the enhancement of employee participation in HSE, emergency mock drills and the support in emergency management operations at

public places. The safety performance is reviewed on monthly basis by the management safety committee involving all departments and their in charges. Various initiatives like provision of centralised fire detection, expansion of fire water network, provision of fire sprinkler systems, fire detection systems have been completed to deal with any emergency inside the plant. We have purchased a state of art fire tender for protection of our sun control division and a new fire station is set up which is manned round the clock. The centralised fire detection and alarm system connects all three fire stations and hence we have improved our response time for emergencies considerably. Various technological interventions like online incident reporting system, online safety observations systems have been put in place to increase visibility of safety efforts. The Company has been free from lost time incident for more than 950 days as of now.

The Company has developed green belt (increased from 30% to 36% of open land) also developed In-house nursery to have sapling inhouse for new plantation.

The Company is a recipient of various safety laurels from the Regulatory Authorities at the National & State level (DG-FASALI, Govt. Of India and National Safety Council- Maharashtra Chapter as stated above during the year. Security system has been upgraded, like awareness training, evacuation drills to meet the new challenges. New fire engines added in the fleet have enhanced the existing emergency preparedness. Our fire Engines have played a major role in maintaining safety and fighting fires in the local vicinity where the manufacturing plants are situated as an mutual aid agreements.

20. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability confirm that:

- In the preparation of the annual accounts for the year ended March 31, 2022, the applicable Indian Accounting Standards have been followed and there are no material departures from the same;
- They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date;
- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- They have prepared the annual accounts on a 'going concern' basis;
- They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively and
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Appointment/Resignation/cessation of Director:

During the financial year, Mr. Chandrashekhar J. Pathak (DIN: 00601668), Whole Time Director of the Company resigned from his directorship in the Company with effect from January 13, 2022. Mr. Pathak was also the Chairman of Risk

Management Committee and member of Audit Committee and Vigil Mechanism Committee of the Board, consequent to his resignation he also ceased to be a member of these Committees.

Mr. Boman Khushroo Moradian (DIN No: 00242123), Independent Director of the Company resigned from his directorship in the Company with effect from February 04, 2022. Mr. Moradian was also member of Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Vigil Mechanism Committee and Risk Management Committee of the Board, consequent to his resignation he also ceased to be a member of these Committees.

Mrs. Sarita Garware Ramsay (DIN: 00136048), Jt. Managing Director of the Company resigned from her directorship in the Company with effect from February 10, 2022. Mrs. Sarita Garware Ramsay was also Chairperson of Corporate Social Responsibility Committee of the Board, consequent to her resignation she also ceased to be a member of this Committee.

Mr. Bhupat D. Doshi (DIN: 02950198), Director of the Company resigned from his directorship in the Company with effect from February 10, 2022. Mr. Bhupat D. Doshi was also member of Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Vigil Mechanism Committee and Risk Management Committee of the Board, consequent to his resignation he also ceased to be a member of these Committees.

Upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company by passing a circular resolution on January 14, 2022, approved the appointment of Mr. Hemant N. Nikam with effect from January 14, 2022 as an Additional Director and Whole-Time Director of the Company for a period of 1 (One) year, subject to the approval of the members of the Company. Subsequently the members of the Company by passing a special resolution through postal ballot approved the appointment of Mr. Hemant N. Nikam as Whole-Time Director of the Company for a period of 1 (One) year.

B. Retirement by Rotation:

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Ms. Monika Garware, Jt. Managing Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, have offered herself for re-appointment.

Her brief profile and other details as required under the Act and the Listing Regulations for her re-appointment as Director is provided in the Notes to the Notice of 65th Annual General Meeting of the Company.

C. Key Managerial Personnel:

The Company has complied with the requirements of having Key Managerial Personnel as per the provisions of Section 203 of the Companies Act, 2013.

Shri S. B. Garware - Chairman & Managing Director, Ms. Monika Garware - Vice Chairperson & Jt. Managing Director, Mr. Pradeep Mehta - Chief Financial Officer (CFO) and Mr. Awaneesh Srivastava - Company Secretary & Vice President (Legal), are the Key Managerial Personnel of the Company.

D. Independent Directors declaration:

Pursuant to the provisions of Section 149 of the Act, all the Independent Directors of the Company have submitted a declaration that each of them meets the criteria of independence as per provisions of the Companies Act, 2013, rules there under, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and there has been no change in the circumstances which may affect their status as an Independent Directors during the year. In the opinion of the Board of Directors, all the Independent Directors fulfil the criteria of independence as provided under the Act, rules made there under and the Listing Regulations and that they are independent of the management.

None of the Directors of the Company are disqualified for being appointed as Directors as specified under Section 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

22. MEETINGS OF THE BOARD

Four meetings of the Board of Directors were held during the FY 2021-22 and the gap between two consecutive board meetings was within the statutory limit. The details of the number of meetings held and attended by each Director are provided in the Corporate Governance Report, which forms part of this Report.

23. PERFORMANCE EVALUATION OF BOARD

Pursuant to Regulation 17 of the Listing Regulations read with Schedule IV of the Act, a formal evaluation of Board's performance and that of its Committees and individual directors had been done. A structured questionnaire was prepared after taking into consideration of the various aspects of the Board functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. Said structured questionnaire performance evaluation forms were circulated to all the Directors. Based on feedback, an evaluation Report was prepared and forwarded to the Chairman and the respective Director to maintain the confidentiality of the Report.

The Independent Directors at their meeting held on February 10, 2022 evaluated performance of the Chairman, non-independent directors of the Company. The Directors expressed their satisfaction with the evaluation process.

The Board has carried out and completed the performance evaluation of all the Independent Directors. The performance evaluation of the Chairman and the Non-Independent Directors was also carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

24. UNCLAIMED DIVIDEND AND SHARES

The Company is in compliance with provisions of Section 125 of the Companies Act 2013, along with relevant applicable rules and circulars issued there under from time to time by the Ministry of Corporate Affairs.

During the year the Company was not required to transfer any amount of dividend and shares with respect to said dividend, which have remained unpaid or unclaimed for a period of 7 (seven) years, to IEPF Authority.

25. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the Directors' Report.

The said Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment & re-appointment of Directors on the Board of the Company and persons holding Senior Management positions in the Company, including their remuneration and other matters as provided under Section 178 of the Act and Listing Regulations.

The Policy is also available on the website of the Company www.garwarehitechfilms.com

26. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System commensurate with the size, scale and complexity of its operations and well documented procedures for various processes which are periodically reviewed for changes warranted due to business needs. The Internal Auditor continuously monitors the efficiency of the internal controls / compliance with the objective of providing to Audit Committee and the Board of Directors, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organisation's risk management, control and governance processes. This system of internal control facilitates effective compliance of Section 138 of the Act and the Listing Regulations.

To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee. The Internal Auditor monitors and evaluates the efficiency and adequacy of the internal control system with reference to the Financial Statement. Based on the report of internal auditor, process owners undertake corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee. During the year under review, no reportable material weakness in the operation was observed. Regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

27. COMMITTEES OF THE BOARD

The Board of Directors of the Company had constituted various Committees and approved their terms of reference / role in compliance with the provisions of the Companies Act, 2013 and Listing Regulations viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, CSR Committee, Vigil Mechanism Committee and Risk Management Committee. The members of the Audit Committee are financial literate and have experience in financial management. The composition of the Committees as given in the Corporate Governance Report is in accordance with applicable provisions of the Companies Act, 2013, Rules thereunder and Listing Regulations.

28. AUDITORS AND THEIR REPORTS

A. Statutory Auditors

The members of the Company have appointed M/s. Manubhai & Shah LLP (FRN: 106041W/W100136), Chartered Accountants, as the Statutory Auditors of the Company for a period of 5 years, until the conclusion of the 67th Annual General Meeting of the Company.

M/s. Kirtane & Pandit LLP, Chartered Accountants (FRN: 105215W/W100057), were appointed as a joint Statutory Auditors of the Company at 62nd AGM held on September 25, 2019, to hold office from the conclusion of 63rd AGM, until the conclusion of 65th AGM.

M/s. Kirtane & Pandit LLP, Chartered Accountants are eligible to be re-appointed for a further period of 3 (three) years, in terms of provisions of Sections 139 and 141 of the Act.

Accordingly, the Board of Directors of the Company at their meeting held on May 26th, 2022 on the recommendation of the Audit Committee and subject to the approval of the shareholders of the Company at the ensuing AGM, have approved the re-appointment of M/s. Kirtane & Pandit LLP, Chartered Accountants (FRN: 105215W/W100057), as the Joint Statutory Auditors, for a further period of 3 (three) years i.e. from the conclusion of the 65th AGM till the conclusion of 68th AGM of the Company.

The Company has received written consent and certificate of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Act and Rules issued thereunder, from M/s. Kirtane & Pandit LLP. They have confirmed to hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) as required under the Listing Regulations.

The Auditor's Report on the Standalone and Consolidated Financial Statements of the Company for the Financial Year 2021-22 as submitted by the Statutory Auditors of the Company did not contain any qualifications, reservation, adverse remarks or disclaimer. The Notes on Financial Statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

B. Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and on the recommendation of the Audit Committee M/s. Deloitte Touche Tohmatsu India, LLP, Chartered Accountants were appointed as Internal Auditors of the Company.

C. Cost Auditor

As per the requirement of central government and pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out the audit of cost records.

M/s. M. R. Pandit & Co., Cost Accountants, Aurangabad was appointed as cost auditors to audit the cost accounts of the Company for financial year 2021-22.

D. Secretarial Auditor

Pursuant to Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has obtained the Secretarial Audit Report for the financial year ended March 31, 2022 from M/s. Nilesh Shah & Associates, Practising Company Secretaries, Mumbai and it is annexed as "Annexure IV" to this Report.

During the financial year 2021-22 the Secretarial Auditors had not reported any matter u/s 143(12) of the Act, therefore no details are required to be disclosed u/s 134(3) (ca) of the Act.

The secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

During the year 2021-22, the Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.

29. RISK MANAGEMENT

The Board of Director of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Board has laid down a Risk Management Policy and has also established a dedicated Risk Management Committee, governed by the Board of Directors, to make persistent efforts for identifying various types of risks, laying mitigation measures, monitoring, and defining future action plan. The audit committee has additional oversight in the area of financial risks and controls. Geo-political situations like the Russia Ukraine war have further forced global businesses to revisit their operations, delivery, supply chains and contractual aspects. Operating in an uncertain and ever-changing environment, our Company's robust enterprise risk management framework aids in ensuring the strategic objectives are achieved. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

30. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

31. RELATED PARTY TRANSACTIONS ('RPTS')

All the transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The Audit Committee had given omnibus approval for the transactions (which are repetitive in nature) and the same were reviewed and approved by the Board.

There were no material significant transactions with related parties during the financial year 2021-22 which were in conflict with the interest of the Company. The Directors would like to draw attention of the members to Note No.30 to the financial statement which sets out related party disclosure.

Pursuant to the provision of Section 134(3)(h) of the Companies Act, 2013, Form AOC-2 is not applicable to the Company.

32. CORPORATE SOCIAL RESPONSIBILITY

The expenditure on Corporate Social Responsibility (CSR) incurred by your Company during the financial year 2021-22 was ₹ 268 Lakh (around 2.04 % of the average net profits of last three financial years) on CSR activities that does not include the expenses made on the activities carried out by the Garware Community Center and Garware Bal Bhawan. The detailed report on the CSR activities is annexed as "Annexure I" and forms part of this Report.

The CSR initiatives of your Company were under the thrust areas of health & hygiene, education, old age home for disabled people and Rehabilitation of Distressed / Depressed people.

The constitution of the CSR Committee and its terms of reference are more particularly stated in the Corporate Governance Report which forms a part of this Report. CSR Policy of the Garware is available on the website of the Company at www.garwarehitechfilms.com

33. ANNUAL RETURN

As per provisions of Section 92 (3) and 134(3)(a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the copy of the Annual

Return in the Form MGT-7 is hosted on website of your Company at: <https://www.garwarehitechfilms.com/investors/>

34. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

During the year, 3 Directors & 1 Employee were in receipt of remuneration of ₹ 1.02 Crore per annum or more amounting to ₹ 15.29 Crore out of which two directors were relative(s) of Shri S. B. Garware Chairman & Managing Director of the Company. During the year, the Company had 884 (Previous Year 921) permanent employees. The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2022 is given in a separate "Annexure II" to this Report.

35. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, during the year under review, there were no cases filed and there were NIL Complaint received. The Company has constituted the Internal Complaint Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has zero tolerance towards sexual harassment at workplace and has adopted a policy to abide by letter and spirit requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Company has Internal Complaints Committee (ICC) to redress the complaints of sexual harassment. During the year, Company has not received any complaint of sexual harassment.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year	Nil
Number of complaints disposed off during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

36. CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS REPORTS

The Company has implemented procedures and adopted practices in conformity with the code of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Company has implemented Code of Conduct for all its Executive Directors and Senior Management Personnel, Non-Executive Non-Independent Directors and Independent Directors, who have affirmed compliance thereto. The said Codes of Conduct have been posted on the website of the Company. The Management Discussion and Analysis Report and Corporate Governance Report, appearing elsewhere in this Annual Report forms part of the Board's Report. A certificate from the Practising Company Secretary of the Company certifying the compliance of conditions of Corporate Governance is also annexed hereto.

37. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing regulations, includes an Ethics & Compliance Task Force comprising senior executives

of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee. No complaints were received under whistle blower mechanism during the year under review.

The Policy on vigil mechanism and whistle blower policy is available on the Company's website at the www.garwarehitechfilms.com.

38. DEPOSITS / LOANS FROM DIRECTORS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet. Further, your Company has not accepted any deposit or any loan from the directors during the year under review.

39. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in "Annexure III" to this Report.

40. SIGNIFICANT AND MATERIAL ORDERS

During the year, in response to show cause notice received and defended by the Company, SEBI passed an adjudication order dated January 15, 2021 ("SEBI Order"), imposing a consolidated penalty of ₹ 38,00,000/- upon the Company under section 15A(b) of the Securities and Exchange Board of India Act, 1992 for the alleged violation of Regulation 13(6) of the Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 1992 ("SEBI PIT Regulations") alleging delayed reporting of a certain creeping acquisitions of shares of the Company by the Promoters in the year 2012.

The Company and its Promoters challenged the SEBI Order by preferring an appeal with the Hon'ble Securities Appellate Tribunal, Mumbai ("SAT"). In response to the Appeal preferred by the Company and its Promoters against the SEBI Order, SAT allowed the said Appeal and set aside the SEBI Order in its entirety (including the consolidated penalty imposed by SEBI). By the SAT Order dated August 09, 2021, the Company and its Promoters are effectively exonerated from the charge of the alleged violations of the SEBI PIT Regulations. The Order dated August 09, 2021 passed by SAT can be accessed on <http://sat.gov.in/scripts/search.asp>.

41. BUSINESS RESPONSIBILITY REPORT

As per Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Business Responsibility Report is attached and is a part of this Annual Report as set out in "Annexure V" of this report.

42. INDUSTRIAL RELATIONS

The relations between the Employees and the Management remained cordial during the year under review. The Directors wish to place on record their appreciation of the contribution made by the Employees at all levels.

43. NODAL OFFICER

The Company has appointed Mr. Awaneesh Srivastava, Company Secretary as the Nodal Officer for the purpose of verification of claims filed with the Company in terms of IEPF Rules and for co-ordination with the IEPF Authority. The said details are also available on the website of the Company www.garwarehitechfilms.com

44. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

45. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

46. ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the wholehearted co-operation received by the Company from the various departments of the Central & State Governments, Company's Bankers and Financial & Investment Institutions during the period under review.

For and on behalf of the Board of Directors

S. B. GARWARE
Chairman & Managing Director
DIN: 00943822

Place: Mumbai
Date: May 26, 2022

THE ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

Corporate social responsibility of the Company is aligned with 'Garware' tradition of creating wealth in the community with focus on Art, Culture, Sports, health, education and safety.

The management believes in the famous sayings that, 'If you want to walk fast, walk alone. But if you want to walk far, walk together'.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mrs. Sarita Garware Ramsay **	Chairman of the Committee/ Executive Director	3	2
2.	Mr. B. Moradian *	Member / Independent Director	3	2
3.	Mr. B.D. Doshi**	Member / Non-Independent Director	3	2
4.	Mr. M.C. Agarwal	Member / Independent Director	3	3
5.	Mr. Nilesh Doshi #	Member / Independent Director	3	1
6.	Mr. Hemant Nikam#	Member / Executive Director	3	1

* Mr. B. Moradian ceased to be a member of the Committee w.e.f. February 4, 2022.

** Mrs. Sarita Garware Ramsay and Mr. B. D. Doshi ceased to be members of the Committee w.e.f. February 10, 2022.

Mr. H. N. Nikam and Mr. Nilesh Doshi were appointed as member of the Committee w.e.f. February 10, 2022.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

<https://www.garwarehitechfilms.com>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

- Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

- NIL

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Lakhs)	Amount required to be set-off for the financial year, if any (in Lakhs)
NIL			

6. Average net profit of the Company as per section 135(5): ₹13,155 Lakhs

7. (a) Two percent of average net profit of the Company as per section 135(5): ₹263 Lakhs

(b) Surplus arising out of the CSR projects, programmes, or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year, if any: NIL

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹263 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
268	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
NIL												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹ Lakhs).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name.	CSR registration number.
1.	Promoting Health Care Measures for poor people.	Health Care project	Yes	Maharashtra	Aurangabad	168	Yes	-	-
2.	Promote social and economic development in the city by creating an opportunity to nurture, support	Promoting education, including special education and employment enhancing vocation skills	Yes	Maharashtra	Mumbai	100	No	Garware Charitable Trust	CSR00001976
Total						268			

(d) Amount spent in Administrative Overheads: - NIL

(e) Amount spent on Impact Assessment, if applicable: - Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)- ₹ 268 Lakhs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	263
(ii)	Total amount spent for the Financial Year	268
(iii)	Excess amount spent for the financial year [(ii)-(i)]	5
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	5

(h) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	NIL						

(i) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
1					NIL			

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: – Not Applicable

(Asset-wise details)

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

10. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):- Not Applicable

Place: Mumbai
 Date: May 26, 2022

S.B. Garware
 Chairman and Managing Director

Dr. M.C. Agarwal
 Chairman of CSR Committee

Annexure - II

Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

PART A

A. Ratio of remuneration of each Director to the median remuneration of all the employees of your Company for the Financial Year 2021-22 are as follow

Name of Director(s)	Designation / Category	Total Remuneration ₹ in Lakhs (p.a.)	Ratio of remuneration of director to the Median remuneration
Shri. S. B. Garware	Chairman and Managing Director	880.57	179.09
Ms. Monika Garware	Vice Chairperson & Jt. Managing Director	700.68	142.50
Mrs. Sarita Garware Ramsay	Jt. Managing Director (Ceased w.e.f.10/02/2022)	525.67	106.91
Ms. Sonia Garware	Non-Executive & Non-Independent	0.60	0.12
Mr. B. Moradian	Non-Executive & Independent Director (Ceased w.e.f.04/02/2022)	1.55	0.32
Mr. Ramesh P. Makhija	Non-Executive & Independent Director	0.40	0.08
Dr. M. C. Agarwal	Non-Executive & Independent Director	2.28	0.46
Mr. T. M. Parikh	Non-Executive & Independent Director	1.65	0.34
Mr. Nilesh R. Doshi	Non-Executive & Independent Director	1.50	0.31
Mr. C. J. Pathak	Whole-Time Director (Ceased w.e.f.13/01/2022)	171.46	34.87
Mr.H.N.Nikam	Whole-Time Director (Appointed w.e.f.14/01/2022)	10.34	2.10
Mr. B. D. Doshi	Non-Executive & Non Independent Director (Ceased w.e.f.10/02/2022)	1.65	0.34
Ms. Devanshi Nanavati	Non-Executive & Independent Director	1.00	0.20
Mr. Vivekanand H. Kamath	Non-Executive & Independent Director	1.05	0.21

Median remuneration of the Company for all its employees is ₹ 4.92 Lakhs p.a. for the Financial Year 2021-22.

B. Details of percentage increase in the remuneration of Executive Directors, Chief Financial Officer and Company Secretary in the financial year 2021-22 are as follows

Name	Designation / Category	Remuneration ₹ In Lakhs		Increase / (Decrease) (in%)
		2021-22	2020-21	
Shri. S. B. Garware	Chairman and Managing Director	880.57	744.42	18.29
Ms. Monika Garware	Vice Chairperson & Jt. Managing Director	700.68	523.12	33.94
Mrs. Sarita Garware Ramsay	Jt. Managing Director (Ceased w.e.f.10/02/2022)	525.67	477.26	10.14
Ms. Sonia Garware	Non-Executive & Non-Independent	0.60	0.60	0.00
Mr. B. Moradian	Non-Executive & Independent Director (Ceased w.e.f. 04/02/2022)	1.55	1.78	(12.92)
Mr. Ramesh P. Makhija	Non-Executive & Independent Director	0.40	0.80	(50.00)
Dr. M. C. Agarwal	Non-Executive & Independent Director	2.28	2.18	4.59
Mr. T. M. Parikh	Non-Executive & Independent Director	1.65	1.75	(5.71)
Mr. Nilesh R. Doshi	Non-Executive & Independent Director	1.50	1.00	50.00
Ms. Devanshi Nanavati	Non-Executive & Independent Director	1.00	0.80	25.00
Mr. Vivekanand H. Kamath	Non-Executive & Independent Director	1.05	1.20	(12.50)
Mr. C. J. Pathak	Whole-Time Director (Ceased w.e.f. 13/01/2022)	171.46	116.44	47.25
Mr.H.N.Nikam	Whole-Time Director (Appointed w.e.f. 14/01/2022)	10.34	0.00	#
Mr. B. D. Doshi	Non-Executive & Non Independent Director (Ceased w.e.f.10/02/2022)	1.65	1.98	(16.67)
Mr. Awaneesh Srivastava	Company Secretary	73.92	68.27	8.28
Mr. Pradeep Mehta	Chief Financial Officer	75.10	70.19	7.00

since the remuneration is only for part of the year so % increase in remuneration is not comparable and hence not stated.

C. Percentage increase in the median remuneration of all employees in the Financial Year 2021-22:

Particulars	2021-22	2020-21	Increase (in%)
Median remuneration of all employees per annum	4.92	4.67	5.32

D. The number of permanent employees on the rolls of the Company: 884

E. The explanation on the relationship between average increase in remuneration and Company's performance:

Garware's reward principles are influenced by individual performance as well as various factors such as competitive market practices, cost considerations and of course, the business results achieved. The final salary increases that are made depend on the Company's market competitiveness within this comparator group, while at the same time taking into account the performance of the Company as well that of the concerned individual. The Company is committed to pay for performance culture which endeavors to differentiate pay levels on an individual performance basis. The salary increases that were made during the year were in line with both the Company's performance as well as the Company's market competitiveness.

F. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company: Total Remuneration to Key Managerial Personnel (KMP) for the year 2021-22.

Total Revenue (₹ in Lakhs)	130,351.25
Total Remuneration of KMP as % to Revenue	1.87%
Profit Before Tax (PBT) (₹ in Lakhs)	22,259.25
Total Remuneration of KMP as % of PBT	10.95%

- Variations in the market capitalisation of the Company: The market capitalization of the Company as at the closing date of the current financial year and previous financial year has marginally decreased by 0.33 %.
- Earnings per Share: ₹ 68.96 per Share on March 31, 2022 and ₹ 51.09 per Share on March 31, 2021.
- Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

The closing share price of the Company at BSE Limited on March 31, 2022 being ₹ 697.20 per equity share of face value of ₹ 10 each has gone up by 634% since the last Right issue by the Company, which was made in the year December 1995.

G. Comparison of average percentage increase in salary of employees other than key managerial personnel and the percentage increase in the key managerial remuneration:

Particulars	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs	Increase (Decrease) %
Salary of all employee (other than Key Managerial Personnel)	7,986.68	7,659.95	4.27
Key Managerial Personnel			
Salary of MD & Jt. MD	2,288.72	1,861.23	22.97 (*)
Salary of CFO & CS	149.02	138.46	7.63

*This includes Commission also.

H. Key parameters for the variable component of remuneration paid to the Directors:

The key parameters for the variable component of remuneration to the Directors are decided by the Nomination and Remuneration Committee in accordance with the principles laid down in the Nomination and Remuneration Policy.

I. There are no employees of the Company who receive remuneration in excess of the highest paid Director of your Company.

J. Affirmation that the remuneration is as per the Nomination and Remuneration Policy of your Company: It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Nomination and Remuneration Policy of your Company.

PART B

The statement containing names and other particulars of employees as per Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. The Annual Report is being sent to all the Members of the Company excluding the aforesaid statement. Any Member interested in obtaining a copy of the same may write to the Company Secretary and same will be provided free of cost to the Member.

A. CONSERVATION OF ENERGY

Your Company always focuses on energy conservation and also strives to improve efficiency. Studies are conducted on regular basis to analyze quantitative energy consumption pattern and to find ways and means to improve efficiency.

We have executed a modernization program and carried out upgradation of the critical equipment in plant. This will ensure uninterrupted service and efficient operations.

Following successful energy conservation efforts were made during the period under review-

Waluj Complex:

- Revamping of cutter cooling tower.
 - Water crystallization of Heat seal/Holography chips instead of bepex route.
 - HSH Production changeover with normal heel, leading in saving downtime.
 - M12I2 Slurry handling system

The above efforts / installation resulted annual energy saving of Approx. ₹129 Lakhs

Chikalhana complex:

- Line- 1 Improvement in COP & specific power consumption of blue star chiller 115 TR to reduce additional load on Voltas chiller 90 TR.
- Replacement of conventional light by energy efficient LED lights

The above efforts / installation resulted annual energy saving of Approx. ₹5 Lakhs per annum.

B. TECHNOLOGY ABSORPTION

I. RESEARCH AND DEVELOPMENT (R & D)

Company's R&D Centre is accredited by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India, and is engaged in research on new applications and development of new products, improvement of manufacturing processes and debottlenecking activities. Your Company's thrust on R&D activities has paid rich dividends.

1. Specific areas in which R & D carried out by the Company.

- a. Solid white shrink film establishment and commercialization.
- b. Recyclable shrink film development with PET container recycling.
- c. Lidding film development by thermal extrusion.

2. Benefit derived as result of the above R & D

Value added products developed and production costs reduced.

3. Expenditure on R & D / Product Development

(₹ in Lakhs)	
Expenditure on R & D / Product Development	Amount
Capital (Excl. CWIP)	0.25
Recurring	371.74
Total	371.99

Total R & D expenditure as a percentage to total turnover **0.29%**

II. Technology absorption, adaptation and innovation

- 1 Efforts made towards technology absorption, adaptation and innovation:
 - a. Print receptive in-line coating developed to eliminate off-line coating Step to increase productivity.
 - b. Up-gradation of shrink film product with improved handling properties and film surface properties

2. Benefits derived as a result of above efforts
Cost effective, value added products developed and established.
3. Technology imported during the last five years: Nil

C FOREIGN EXCHANGE EARNINGS AND OUTGO:

I. Activities relating to exports, initiatives taken to increase export markets for products and services and export plans.

1. The export marketing activities are being consolidated to maintain the share of exports in total production. New markets are being explored.
2. Constant endeavor is being made to establish the products in specific overseas regional markets and to accomplish the same, individuals with knowledge and experience of these markets are appointed to service the customers.
3. The Company has established marketing outfits in USA and UK.

II. Total Foreign Exchange used and earned

(₹ in Crores)		
Used	:	181.00
Earned (FOB Basis)	:	817.04

For and on behalf of the Board of Directors

S. B. GARWARE
Chairman & Managing Director
DIN: 00943822

Place: Mumbai
Date: May 26, 2022

Annexure IV

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Board of Directors,
GARWARE HI-TECH FILMS LIMITED
(Formerly known as Garware Polyester Limited)
Naigaon, Post Waluj,
Aurangabad-431133.

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by “**GARWARE HI-TECH FILMS LIMITED**” (Formerly known as Garware Polyester Limited) (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s Books, Papers, Minutes Books, Forms and Returns filed with regulatory authorities and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place, to the extent and subject to the reporting made hereinafter.

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records including website is the responsibility of management of the Company including Key Managerial Personnel’s (KMP) and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test basis the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us either in Physical form or in electronic form, for the financial year ended 31st March, 2022, according to the provisions of:

- (i) The Companies Act, 2013 and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under (to the extent applicable to the Company);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under restricted to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent the same was applicable to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) as amended till date:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (As amended till date);

- (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (As amended till date);
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.
- (vi) As we have been given to understand that considering activities, there is no specific regulator subject to whose approval Company can carry on / continue business operations. However, we have taken verbal confirmation and in-principally verified systems and mechanism which is in place and followed by the Company to ensure Compliance of other applicable Laws (in addition to the above mentioned Laws (i to v) viz. Industrial Law, Labor Laws, Tax Laws as applicable to the Company) and we have also relied on the representation made by the Company and its Officers (KMP) in respect of systems and mechanism formed / followed by the Company, compliance reminder / compliance identification software maintained at factory premises, which reminds to ensure for due dates of compliances of other applicable Acts, including Industrial and Labour Laws and Regulations and found the satisfactory operation of the same.

We have also examined compliance with the applicable clauses of the Secretarial Standards (SS-1 and SS-2) as issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013;

We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations/ Guidelines as covered under MR-3, since no event occurred which attract compliances of the said Regulations / Guidelines:

- (a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has complied with the provisions of the above mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards etc. mentioned above. We have not found material observation / instances of Non-Compliance in respect of the same. The observations for scope of improvement has been provided separately.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on 31st March, 2022. We also report that adequate notice was given to all directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent at least seven days in advance and a reasonable system exists for Board Members for seeking and

obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

'ANNEXURE A'

Based on review of Minutes, we herewith observe that majority decision is carried through and proper system is in place which facilitates/ ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers (KMP) explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of other Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in place including software maintained at factory premises which reminds applicable due dates of the compliances applicable to the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that following major event occurred during the year:

- A. The Company has Changed its Name from Garware Polyester Limited to Garware Hi-tech Films Limited w.e.f. 20th April, 2021.
- B. The Company has undertaken process of Postal Ballot during March, 2022 for approval of Members for appointment of Mr. Hemant Nikam as the Whole-Time Director.
- C. The Equity Shares of the Company has been listed on the National Stock Exchange of India Limited (the "NSE") w.e.f. 1st February 2022 and the Trading with National Stock Exchange of India Limited (the "NSE") was commenced w.e.f. 3rd February 2022.

Save and except the same, the Company has not undertaken any major event / action having a material bearing on the Company's statutory compliance and affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Note: This Report is to be read along with attached Letter provided as "Annexure - A".

Date:- May 26, 2022
Place:- Mumbai
UDIN: F004554D000394372

Name: Nilesh Shah
For: Nilesh Shah & Associates
FCS : 4554 C.P. : 2631
Peer Review No. 698/2020

To
The Members,
GARWARE HI-TECH FILMS LIMITED
(Formerly known as Garware Polyester Limited)
Naigaon, Post Waluj,
Aurangabad-431133

Dear Sir / Madam,

Sub.: Our Report of even date is to be read along with this letter;

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company including Directors and KMP. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes which were appropriate to obtain reasonable assurance about correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records made available to us) and also in the form of digital database to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
3. We have not verified correctness and appropriateness of financial records and Books of Accounts of the Company for which we rely on the observation of Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events and suggested scope of improvement etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to COVID-19 outbreak partial functioning of office, in respect of carrying out of Audit, for part of audit period, we have relied on the information, details, data, documents and explanation as provided by the Company and its officers and agents in electronic form without physically verifying their office.

Date:- May 26, 2022
Place:- Mumbai
UDIN: F004554D000394372

Signature:-
Name: Nilesh Shah
For: Nilesh Shah & Associates
FCS : 4554 C.P. : 2631
Peer Review No. 698/2020

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1	Corporate Identification Number	L10889MH1957PLC010889
2	Name of the Company	Garware Hi-Tech Films Limited (Formally Known as Garware Polyester Limited)
3	Registered address	Naigaon, Post Waluj, Aurangabad, Maharashtra – 431133 Ph. No. 0240-2567400 Fax No. 0240-2554672
4	Website	https://www.garwarehitechfilms.com/
5	Email address	cs@garwarehitech.com
6	Financial Year reported	1st April 2021 to 31 st March 2022
7	Sector of the Company is engaged in	Manufacturing
8	Total number of locations where business activity is undertaken by the Company	Aurangabad, Mumbai, Nashik, USA &UK.
9	Markets served by the Company	Company serve in more than 80 countries in continent mainly USA, China, Europe, Russia, Asian countries , South Americaia, Gulf countries, Africa, Australia, New Zealand etc.

Section B: Financial Details of the Company

1	Paid up Capital	INR 23,23,23,940/-
2	Total turnover	₹ 1,26,396.53 Lakhs
3	Total Profit after tax	₹ 16,020.53 Lakhs
4	Total Spending on CSR as percentage	2%
5	List of the activities in which expenditure listed above has been incurred	<ol style="list-style-type: none"> 1. Street school / education; supplementary education; special education and employment enhancing vocation skills especially among children, woman, elderly and the differently abled and livelihood enhancement projects. 2. Medical relief support and assistance; inclusive healthcare. 3. Setting up homes and hostels for women and orphans, setting up old age homes, day care centers, and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups. 4. Flood relief support to disadvantaged communities. 5. Providing food support (nutrition and meals) to under privileged children, women and communities. 6. Supporting tribal communities in the area of healthcare and education.

Section C: Other Information

1	Does the Company have any subsidiary Company / companies?	Garware Hi-Tech Films International Limited in UK, Subsidiary and Global Hi-Tech Films Inc., Step-down Subsidiary Company in USA
2	Do the Subsidiary Company / Companies participate in the BR initiatives of the Parent Company? If Yes, then indicate the number of such subsidiary Company(s)	No. Subsidiary Company does not participate in the BR initiatives of the Company.
3	Do any other entity/ entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30% - 60%, more than 60%]	No, the entities that the Company does Business with, do not participate in the BR initiatives of the Company.

Section D: BR Information

1. Details of Director/s responsible for BR

a) Details of the director responsible for implementation of BR policies

1	DIN Number	07517849
2	Name	Hemant Narayan Nikam
3	Designation	Whole-time Director

b) Details of BR head:

1	DIN Number	07517849
2	Name	Hemant Narayan Nikam
3	Designation	Whole-Time Director
4	Contact Number	0240-2567404
5	Email	hemant.nikam@garwarehitech.com

2. Principle-wise(as per NVG) BR policy/ policies

Principle	Description	Company's Policy
Principle 1	Business should be conducted and governed with Ethics, Transparency and Accountability.	Codes of conduct, Whistle Blower Policy
Principle 2	Business is to provide goods and services and continual improvement in the same.	Quality Policy
Principle 3	Business should promote the happiness and well-being of all the employees.	HR Policy, Prevention of Sexual Harassment at workplace Policy
Principle 4	Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	CSR Policy
Principle 5	Business should respect and promote human rights.	CSR Policy
Principle 6	Business should respect, protect and make efforts to restore the environment.	Environment Policy
Principle 7	Business, when engaged in influencing public regulatory policy, should do so in a responsible manner.	Code of conduct
Principle 8	Does the Company have in house structure to implement the policy/ policies?	Quality Policy
Principle 9	Does the Company have a grievance redressal mechanism related to the policy/ policies?	Quality Policy
Principle 10	Business should support inclusive growth and equitable development.	CSR Policy

Details of Compliance (Reply in Y/N)

Sr. No.	Questions	P	P	P	P	P	P	P	P	P	P
		1	2	3	4	5	6	7	8	9	10
1	Do you have Policy / Policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the Policy been Formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the Policy conform to any national/ international standards? If Yes, Specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the Policy been approved by the Board? If Yes, has it been signed by the MD/ Owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a Specified committee of Board/ Director/ Official to oversee the implementation of the Policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the Policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in house structure to implement the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy / policies	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit / evaluation of the working of the policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

3. Governance related to BR:

- 1. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR Performance of the Company.**

Reviewed Quarterly and Annually and published annually.

- 2. Does the Company publish a BR or Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published.**

It is part of Annual Report, which is uploaded on the Company Website.

Principle 1: Business should conduct and govern themselves with Ethics,

Transparency and Accountability.

- 1) Does the policy relating to ethics bribery and corruption cover only the Company? Does it extend to the group / Joint ventures / Suppliers / Contractors / NGOs / Others?

Yes, The Company considers Corporate Governance as an integral part of management. The Company has a code of conduct that is approved by the Board of Directors & this code is applicable to all Board Members, Senior Management and Employees of the Company. The code of conduct outlines standards of personal & professional conduct that is applicable to all employees.

Though the Company's policy cannot be enforced upon the external stakeholders including suppliers, contractors etc, the Company follows zero tolerance on any acts of bribery, corruption etc. by such agencies during their dealings with the Company and or with any of its employees.

- 2) How many stakeholders' complaints have been received in the past financial year and what percentage was satisfactory Resolved by the management?

As Mentioned in the Corporate Governance Report, 1 Complaints were received from investors during the Financial Year 2021-22 and all have been resolved. Complaints/grievances from other stakeholders are dealt with on an ongoing basis by respective departments within the Company.

Principle 2: Business should provide goods and services.

- 1. List upto 3 products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.**

The Company is Pioneer in manufacturing of Polyester Film and Sun Control Films in India and manufacture wide range of products, covering all types of Polyester Films, Safety Films, Thermal Laminated & Metalized Films, Laminated Surface Protection Films, and various types of Polyester Chips.

Some of the prominent activities include –

The Company is using LPG for Thermic fluid heaters at one location.

The Company is using the Zero discharge effluent facility by installation of Reverse Osmosis plant and using the treated water for cooling tower and related processes.

The Company is also increasing usage of Biomass briquettes fired boilers.

The Company is committed towards continual improvement, preventions of pollution and preservation of nature resources for protection of the environment by means of :

- Complying with applicable environmental legislation.
 - Optimum & efficient use of natural resources.
 - Eliminating, reducing, recycling, recovering and proper disposal of waste generated.
 - Developing and implementing programs for minimizing environmental impacts.
 - Enhancing awareness among all employees about their roles and responsibilities in maintaining the Environmental Management System.
 - Promoting greenery at Company premises.
 - Developing consciousness among our neighboring community on environmental protection.

- 2. For each Product, provide the following details in respect of resource use (energy, water, Raw material etc.) Per unit of product (optional).**

The Company mainly uses Pure Terephthalate Acid (PTA) and Mono Ethylene Glycol (MEG) and Manufacture of Chips which is further used to Manufacture various type of Film and value added products.

The utility mainly consist of Electrical Power, Furnace Oil, LPG, Bio coal and Water etc as resources.

- 3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?**

The Company does sustainable procurement of its raw materials and mechanism is in place to procure raw materials from different sources considering availability, transportation, requirement of factories etc. This also includes transportation from suppliers to our factories.

- 4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?**

If yes, what steps have been taken to improve their capacity and capability of local & small Vendors?

Plants of the Company are set up in backward areas of Maharashtra and over the years the Company has promoted the local contractors and service providers, to the best possible extent, by patronizing them to supply/provide different services required by the Company for its day to day administration/ operations.

- 5. Does the Company have mechanism to recycle products and waste? If yes, the percentage of recycling of products and waste (separately as <5 Percent, 5-10 Percent,>10 Percent) Also, provide details thereof, in about 50 words or so.**

Company has facilities and dedicated plant for recycling of pre consumed as well as post consumed wastes. Overall more than 10% of the pre consumed products and wastes are recycled, which include mandatory process waste (>10%), Internal rejections (< 5%). Recycled material has all the qualities equivalent to the parent virgin materials.

Principle 3: Business should promote the well-being of all employees.

1. Please indicate the total number of employees:884
2. Please indicate the total number of employees hired on temporary/contractual/casual basis: 850
3. Please indicate the number of permanent women employees: 5
4. Please indicate the number of permanent employees with disabilities:: Nil.
5. Do you have an employee association that is recognized by management?
 No employee association exists. There is no employees association, however mechanisms are in place for employees to represent their issues, if any, and the same is resolved amicably.
6. What percentage of your permanent employees is members of this recognized employee association?
 Not applicable
7. Please indicate the number of complaints indicating to child labour, forced labour, sexual harassment in the last financial year and pending, as on the end of the financial year.
 The Company does not hire child labour, forced labour or involuntary labour and no complaint has been received during the financial year on any of the above subject matter.
8. What safety and skill upgradation training was provided in the last year?
 Safety training is imparted to each and every employee on his joining alongside conducting regular safety for everyone. Internal & external training for upgrading and enhancing the skills and knowledge level was given to different categories of employee.

Principle 4: Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has Company mapped its internal and external stakeholders?
 The Company's key stakeholders include promoters, employees, customers, business associates, recovery agents, investors, agents, suppliers and its local residents and regulatory agencies. Our Investors comprise shareholders (including institutional investors, corporate bodies, foreign institutional investors, and foreign bodies etc.) and financiers.
 The Company and its employees strive to provide value – based services to stakeholders. The Company is in constant touch with its various stakeholders to understand their concerns and assess their requirements and respond to their needs in an effective manner.
2. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable of marginalized stakeholders? If so, provide details thereof in about 50 words or so.
 Yes, the detailed activities are listed in the CSR report, being part of Annual Report.

Principle 5: Does the Company have a Specified committee of Board / Director / Official to oversee the implementation of the Policy?

1. Does the Policy of the Company on human rights cover only the Company or extend to Group / all stakeholders.
 Ventures / Suppliers / Contractors/NGOs/Others
 The Company abides by the Principle of respect and support for human Rights and the adheres to spirit of fundamental rights in its policies and systems. The Company ensures that all individuals impacted by its business shall have access to grievance redressal mechanisms. The Company conducts business in a manner that respects the rights and dignity of all people complying with all legal requirements.
 A. How many stakeholders complaints have been received the past financial year and what percent was satisfactorily resolved by the management?
 During the year, one complaints were received from investors and all the complaints have been resolved, ensuring 100% resolution of complaints as on March 31, 2022.

Principle 6: Indicate the link for the Policy to be viewed online.

1. Does the policy related to Principle 6 cover only the Company or extend to the Group / Joint Ventures/ Suppliers / Contractors / NGOs / Others.
 The Company is committed to respect, protect and make the efforts towards renewable resources to avoid the depletion of natural resources. The Company shall with legal/ regulatory requirements related to environment protection, management and sustainable development. This initiative is also extended to suppliers of the Company.
 The Policy can viewed at the website of the Company.
2. Does Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc?
 Company cares for environment and has strategies and policies in line with the global manufacturers. Conservation of energy by way of equipment upgradations or addition of recovery system, 100% treatment and recycling of water and use of biomass fuels are continuous activities in this direction. We have product range with post consumed recycled materials, which is a significant contribution in the reduction of Co2 emissions and cleaning the environment. Tree plantation it's maintenance and growth is an important activity. Company is also planning to add the use of non-conventional energy sources to improve the carbon foot print. As a part of scope 3 activity, some of our product applications by the consumers help to reduce carbon emissions and create greener environment by reduced fuel consumptions.

Principle 7: Business when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your Company a member of any trade and chamber association ?
 Yes, Federation of Indian Chambers of Commerce and Industries (FICCI), Federation of Indian Export Organisation (FIEO) Plex Council, and Chamber of Marathwada Industries and Agriculture (CMIA), Maharashtra Chamber of commerce.

2. Have you advocated through association for the advancement or improvement of public good ?

Yes.

Principle 8: Does the Company have in house structure to implement the policy/ policies?

It is implemented through the Executive Committee.

Principle 9: Does the Company have a grievance redressal mechanism related to the policy/ policies?

Yes, the stakeholder Relationship Committee which meet on fortnightly basis to resolve all the greivences of stakeholders.

Principle 10: Business should support inclusive growth and equitable development.

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 10, if yes details thereof.

Requisite details of CSR initiatives are included in the Annual Report on CSR forming part of the Annual Report.

2. Are the programs/projects undertaken through in-house team/ own foundation/trust/NGO/any other organization?

The Company undertake CSR projects through Garware Charitable Trust, Garware Community Center and same is elaborated in the CSR Report, part of Annual Report.

3. What is your Company's direct Contribution to community development projects- (Amount in INR)

Refer details of CSR Contribution in Annual Report on CSR forming part of this report.

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

1. Company Overview & Economic Environment

Garware Hi-Tech Films Limited (Formally Known as Garware Polyester Limited) is the pioneer and the largest exporters of polyester films in India. Also it is the sole manufacturer of Solar Control window films in India and among the only two companies in the world having patented technology for manufacturing the UV stabilized dyed films and perhaps the only Company in the world with backward integration for manufacturing of its own raw material and all components for manufacture of Solar control window films. The Company is the trend-setter in Solar Control Film industry with a history of more than 3 decades of technological development. The Solar Control window films are sold under the well-established brands of the Company that is SUNCONTROL window films and Global window films.

The Company has streamline its production of Surface protection Film / Paint protection film at Waluj Aurangabad and the product quality was tested and approved in the International Market.

The Company also has backward integration through establishment of Batch Process Polyester Chips plant which ensures a steady stream of supply of variety of specially designed chips for the BOPET Film Lines. The Company produces wide range of products having variety of end applications. The Company manufactures Bi-axially Oriented Polyethylene Terephthalate (BOPET) / Polyester Films, Sun Control Films, Thermal Lamination Films and Specialty Polyester Films also manufactures premium grade heat rejection films. Idle assets held for sale were monetized during the year.

During the financial year major challenges were managed on account of Container Supply shortage, which has resulted in the increase in Ocean freight too. There was slowdown in China Production due to shut down of Manufacturing facilities, port etc mainly due to reoccurring of Covid. Russia Ukraine war has also impacted global supply chain in the international market. Covid impact on the demand supply was very negligible due to Vaccinations drives taken globally and omicron was not in fatal in nature.

The basic raw material that is PTA and MEG has seen rise in the prices based on Crude prices and demand / supply situation. The Company has long term agreement on import parity price for supply of main raw material. The specialty chemicals prices has seen increasing trend.

The Company has come out with many new products for label films to help environment protection and recycling of the film with bottles and developed range of Shrink films for label application. The Company has also developed films for better seal and peel strength application for proper lidding of any type of containers (Universal). The Company's strength lies in its integrated manufacturing facilities, R&D Centre and portfolio of value-added specialty products for various applications.

The Company has achieved full capacity utilisation of its Polyester film plants and Solar Control window film plants.

2. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Industry is catering to Packaging, Yarn, Coated films for specialty applications and thick films for insulation and shrink label application.

The Company has developed products considering speciality of each manufacturing line capability and catering to speciality applications such as shrink label, Electric Insulation, Sequin, Reprographic and digital printing and reduced reliance on packaging.

The High heat rejection films are very well accepted by International Market. The Laminated Surface Protection films are also very well accepted by the International Customers.

The Company has a well-developed marketing network throughout the world and it has developed wide network of dedicated customers across the globe i.e. USA, Europe, Russia Far East, China, Middle East, Africa, South America, Australia, New Zealand etc. by appointing marketing executives. In order to expand the business and offer better services to the customers of Consumer products in overseas market, the Company has Subsidiary Companies situated in USA and UK. There was no change in the nature of business of the Company during the year under review.

3. OPPORTUNITIES AND THREATS

The demand for PET film was there throughout the year as capacities were available in domestic and International Market. The packaging market may shift to higher micron thickness films and there will remain an opportunity for higher micron packaging films to protect environment as per new environment laws in India.

The PET film packaging will grow as it's a hygiene packing and usage of packed food is likely to grow. On Global front, due to the commoditized nature of BOPET films, the industry remains highly competitive with pressure on margins.

The Company is making all efforts to cut down on costs to meet the challenge of excessive capacities and price competition in India and international market. The strategy of the Company continues to focus on the specialty films, PCR products, increase the share of value-added products, and reduce the volumes of commodity films.

The Company derives its strength from its integrated manufacturing facilities, established track record, experienced management, diversified customer base across the globe, wide range of products, focused R&D, specialty products and well recognized brands which shall lead future growth of the Company.

4. OUTLOOK FOR EXPORTS:

Plain Film:

The Company has maintained its record of being the top exporter of polyester films and continuously bagging the top exporter award from Plexconcil. With introduction of high-quality variety of product offerings and its satisfied customer base across the globe, the Company is fully confident of maintaining its strong position in exports. The Company continues its efforts to foray into newer markets and further increase the customer base in USA, Europe, China, Far East, South America, Africa, Middle East, Australia, New Zealand etc. as these remains key markets for the Company's BOPET products.

Sun Control Film:

The Company is one of the premier Solar Control window film manufacturers and have been a trend-setter in sun control/window film industry with a history of more than 30 years of technological development. Apart from India, the Company has been catering to customers across North America, South America, Russia, Europe, China, Far East, Middle East and Africa. The Company is the marketer of the brand 'GLOBAL WINDOW FILMS' which is registered in the US and is one the most popular brands there. The Company's share in matured markets like USA and Europe have grown exponentially. Currently the Company export to about 88 countries worldwide. In continuation of Company's focus in Exports,

the Company have posted the Sales persons in strategic and important markets like USA, UK, Russia, Brazil, UAE and Australia to develop and grow the business. In addition to this, the Company also market its film in "Garware Sun Control" brand. In the domestic market in India, the Company is market leader and have a strong brand recall. The Company also sell laminated material under neutral/customized packaging, dyed film and release liner, thus offering marketing opportunities to distributors world-wide.

The Global Solar control film market is growing due to increasing awareness of advantages of solar control films, reduction of energy costs & carbon footprint, reduction of ultra-violet (UV) rays and infrared emissivity. The Company has also introduced Paint Protection Film / Laminated Surface Protection Film a year ago and the product has found good acceptability in the market.

Company is in the process of capacity expansion of sun control films considering the export demand in global market.

Thermal Film:

With variety and high-quality product offerings in thermal lamination films, the Company is enhancing its share in the export market and has developed Glitter & Feather feel films at this division and focusing on increasing exports volume for these specialty products. The capacity utilization has gone up during the year.

Domestic Market:

Growing Retail sector, increasing preference towards packaged items, liberalization and rising middle class is expected to increase the consumption of BOPET Films thereby adding to growth of this segment in the domestic market.

Increased usage of window films in offices, commercial buildings and malls will continue to add to the growth of the Company's business in the premium segment of window films.

5. REVIEW OF OPERATION

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and the applicable Indian accounting standards.

(₹ in Lakhs)

Particulars	2021-22	2020-21	Change
Net Sales	126,396.53	96,038.64	31.61%
Other Income	3,954.72	1,562.76	153.06%
Profit before Interest, Depreciation	26,781.41	22,273.58	20.24%
Interest & Financial Charges	1,715.24	1,836.74	(6.61%)
Depreciation	2,806.92	2,383.54	17.76%
Profit before Tax	22,259.25	18,053.30	23.30%
Provision for Tax	6,238.72	6,183.58	0.89%
Profit after Tax	16,020.53	11,869.72	34.97%
Other Comprehensive Income (OCI) Net of Tax	348.28	3,366.94	(89.66%)
Total Comprehensive Income For The Year	16,368.81	15,236.66	7.43%
Earning Per Share (Basi/ Diluted)	68.96	51.09	34.97%
Market Capitalisation	161,976.25	162,510.60	(0.33%)

Details of significant changes in key financial ratios:

Sr. No.	Particulars	2021-22	2020-21	Change
1	Debtors Turnover No of Days	32.47	28.88	12.43%
2	Inventory Turnover No of Days	36.06	36.38	(0.88%)
3	Interest Coverage Ratio	15.61	12.13	28.76%
4	Current Ratio	2.29	2.35	(2.36%)
5	Debt Equity Ratio	0.08	0.07	(14.29%)
6	Operating Profit Margin (%)	21.19%	23.19%	(8.64%)
7	Net Profit Margin (%)	12.67%	12.36%	2.55%
8	Net Worth	168,789.69	154,744.12	9.08%

6. Internal Control Systems and their Adequacy

The Company has sound systems of internal control and checks, which are supplemented by a regular internal audit commensurate with the size of its business and nature of its operations. The Audit Committee of the Board meets at regular intervals and actively reviews the internal control systems, which are reflected in the internal audit reports. Suitable corrective actions are initiated wherever necessary.

7. Material Developments in HR / Industrial Relations

Your Company has a well-qualified and experienced team of professionals who have contributed to the performance of the Company. Labour relations at all Company locations continue to remain cordial with no industrial unrest during the year under review.

8. Enterprise Risks Management

Risk is an integral component of business. In today's challenging and competitive environment, mitigating risks is imperative. Common risks include changing regulations, competition, business risk, technology obsolescence, investments, financial risk, environmental risk and retention of talent. For managing risks more efficiently, the Company has undertaken a detailed risk management exercise and has identified key risks that can have a critical impact on the Company's performance. Some of the critical risks identified by Company are as follows:

Operational Risk: Operational risks like equipment obsolescence can impact production. To mitigate such risks, the Company continuously monitors equipment obsolescence and upgrades equipment from time to time and undertakes preventive maintenance measures. The Company has also made significant investment in equipment modernization.

Competition Risk: Company's products are sensitive to changes in industry capacity and output levels, cyclical changes in regional and global economic conditions and changes in consumer demand. A significant addition in capacities by competitors has heated the competition.

Fluctuation in Raw Material prices: The Company's major raw material is PTA & MEG which is by product of crude oil. Due to fluctuations in crude price raw material price also changes, your Company on regular basis assesses the changes and passes on the increase to the extent feasible & required.

Market Risk: Your Company manages market risk by expanding its presence in different markets, deeper penetration into existing markets and by launching new products.

Logistics Risk: Logistic risks includes availability of adequate transportation vehicle to get material to factory location or ship material from factory to client. Your Company like other companies across the globe have been impacted on this front, after first wave of COVID 19 availability of ships / containers has been challenging due to which costs have increased across the globe, however, your Company is managing costs better by planning the requirement well in advance and we anticipate the situation to normalize by end of 2023.

Currency Fluctuation: The Company revenues are largely generated through exports. Company has appointed consultants to advice on changes in global economic events / outlook and its impact on currency risk as well as for needful coverage of the risk and Company hedges its net exposure well in advance by way of forward contracts, it is immune to a great extent from the fluctuation in currencies.

RISK MANAGEMENT AND MITIGATION

The Company has established a well-defined Enterprise Risk Management System which encompasses the identification, assessment, mitigation and monitoring of risk to achieve business objectives by implementing various internal control systems and response strategies well in advance. The Company recognizes that the risks need to be handled effectively and mitigated to protect the interests of the shareholders and stakeholders to achieve business goals and increase sustainable value and Governance.

The Company's Board of Directors has overall responsibility for the establishment and overseeing of the Company risk management framework. Pursuant to Regulation 21 of Listing Regulations, 2015, Risk Management Committee was constituted to overall manage the companies risk management process.

The primary objective of the Committee is to control the various risks that the Company is exposed to, with a view to prevent unacceptable losses, to provide an effective means of identifying, measuring and monitoring risk exposure of the Company and to keep such risk at or below acceptable levels. The Company has framed an Enterprise Risk Management Policy (the "Policy") to help in this endeavor

Policy contains objectives of risk management, Company's approach to risk management and the risk organization structure for identification, management and reporting of risks. The policy specifies the roles and responsibilities of key stakeholders and other key personnel of the Company with regards to risk management. The policy also aims to ensure and identify process of risk identification and management.

There are no risks, which in the opinion of the Risk Management Committee & Board threaten the existence of the Company.

9. Cautionary Statement

The statements in report of the Board of Directors and the Management Discussion & Analysis Report describing the Company's outlook, estimates or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially.

CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the financial year ended March 31, 2022.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company believes that Corporate Governance is a pre-requisite for attaining sustainable growth in this competitive world. The Company's Management acknowledges that Corporate Governance is a set of laws, regulations and good practices that enables an organization to perform efficiently and effectively. The philosophy of the Company towards good corporate governance is to enhance the long-term economic value of the Company, its shareholders and other stakeholders at large by adopting better corporate practices in fair and transparent manner.

The Company has a strong legacy of fair, transparent and ethical governance practices and has also adopted a Code of Conduct for its Members on the Board including the Senior Management of the Company. Sincerity, good citizenship and commitment to compliance are the key characteristics that drive relationships of the Board and Senior Management with other Stakeholders.

The Company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavor to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth.

Your Company believes in healthy balance of interest of all Stakeholders and in pursuance of this objective, the policies of the Company are designed to strengthen the ability of the Board of Directors to supervise the management and to enhance long-term shareholder value. In recent times, governance has been further strengthened within the organization by introduction of incremental changes to various policies and processes.

The Company's focus is on sustainable development, its customer centric approach to create value for the customers by ensuring product quality and innovative service offerings coupled with its outreach to the communities it impacts through CSR activities and programmes has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and other stakeholders.

Ethics/ Governance Policies:

At Garware, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all the stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct for Board of Directors and Senior Management
- Code of Conduct for Prevention of Insider Trading
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
- The terms and conditions of appointment of the Independent Directors of the Company in accordance with the requirements of Schedule IV to the Companies Act, 2013.
- Whistle-blower Policy
- Board Diversity Policy
- Prevention of Sexual Harassment of Women at Workplace Policy
- Corporate Social Responsibility Policy
- Policy Relating to the Remuneration of the Directors, Key Managerial Personnel and other Employees (Nomination Remuneration Committee Policy)

- Familiarization Program of Independent Director
- Dividend Distribution Policy
- Policy for determining Material Subsidiaries
- Sustainability Policy
- Policy on Related Party Transactions
- Policy on determination and disclosure of Materiality of Events
- Policy for Determining Material Subsidiaries
- Policy for Preservation of Documents
- Risk Management Policy
- Policy on succession planning for the board and senior management
- Archival Policy

A report on compliance with the principles of Corporate Governance as prescribed in the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is given below:

GOVERNANCE STRUCTURE

The Corporate Governance Structure of the Company is as follows:

1. **Board of Directors:** The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the Management adheres to ethics, transparency and disclosures.
2. **Committees of the Board:** The Board has constituted the following Committees viz. (1) Audit Committee (2) Nomination and Remuneration Committee (3) Stakeholder's Relationship Committee (4) Corporate Social Responsibility (CSR) Committee (5) Risk Management Committee and (6) Vigil Mechanism Committee. Each of the said Committee has been mandated to operate with a given framework.

The Report on Corporate Governance is divided into six parts: -

- I. Board of Directors – Composition & Meetings
- II. Committees of the Board
- III. Remuneration of Directors
- IV. Information on General Body Meetings
- V. Disclosures
- VI. Means of Communication
- VII. General Shareholder Information

I. BOARD OF DIRECTORS:

A) COMPOSITION OF THE BOARD OF DIRECTORS:

The Company has a broad-based Board of Directors comprises of optimum combination of executive and non-executive Directors which is constituted in conformity with the Listing Regulations and the Companies Act, 2013 ('the Act') and in accordance with the best practices for Corporate Governance. The Board functions either as a full Board or through various Committees constituted to oversee specific areas. Policy formulation, setting up of goals and evaluation of performance and control functions vest with the Board.

The Board of Directors, as on March 31, 2022, comprises of 10 Directors out of which 2 were Promoter and Executive Directors, 1 was Promoter and Non-Executive Director, 1 was Professional Executive Director and 6 were Independent Non-Executive

Directors. The Company has three women Directors out of which 1 is Independent Director. All Directors possess relevant qualifications and experience in general corporate management, finance, legal and other allied fields which enable them to effectively contribute to the Company in their capacity as Directors.

Composition and category of the Board:

Category	Name of the Director	No. of Shares held as on 31st March 2022	Relationship with other Directors	No. of Board meetings attended during FY 2021-22	No. of Directorship(s) as on March 31, 2022*	Committee position as on 31st March 2022#		Attendance at AGM held on September 28, 2021
						Chairman	Member	
Promoter and Executive Directors	Shri S. B. Garware	11,63,001	Father of Ms. Monika Garware, and Ms. Sonia Garware	4 out of 4	1	-	-	No
	Ms. Monika Garware	2,67,504	Daughter of Shri S. B. Garware and sister of Ms. Sonia Garware	4 out of 4	1	-	-	Yes
Promoter and Non-Executive Director	Ms. Sonia Garware	2,68,595	Daughter of Shri S. B. Garware and sister of Ms. Monika Garware	3 out of 4	1	-	-	No
Executive Director	Mr. H. N. Nikam §	05	None	0 out of 4	1	-	1	NA
Independent Non-Executive Directors	Dr. M. C. Agarwal	-	None	4 out of 4	1	1	2	Yes
	Mr. Ramesh P. Makhija	-	None	2 out of 4	1	-	1	No
	Mr. T. M. Parikh	-	None	4 out of 4	2	1	3	Yes
	Mr. Nilesh R. Doshi	-	None	4 out of 4	2	-	2	No
	Mr. Vivekanand H. Kamath	-	None	4 out of 4	1	-	1	No
Independent Non-Executive and Woman Director	Ms. Devanshi H. Nanavati	-	None	4 out of 4	1	-	-	Yes

*Aforesaid directorships include directorship held in the Company but does not includes directorship held in foreign companies and companies incorporated under Section 8 of the Companies Act, 2013 ("the Act") and private limited companies.

For reckoning the limit of membership/ chairmanship of the committees, only Audit Committee and Stakeholders' Relationship Committee were considered. However, for this purpose, Chairmanship/ Membership held in the Company have also been included.

§ Appointed as an Additional Director as on January 14, 2022 and regularized from March 29, 2022.

Names of listed entities (other than Garware Hi-Tech Films Limited) where the person is a director and category of directorship:

Sr. No.	Name of the Director	Name of the Company	Category of directorship
1.	Shri S. B. Garware	NIL	NIL
2.	Ms. Monika Garware	NIL	NIL
3.	Ms. Sonia Garware	NIL	NIL
4.	Mr. H. N. Nikam	NIL	NIL
5.	Dr. M. C. Agarwal	NIL	NIL
6.	Mr. Ramesh P. Makhija	NIL	NIL
7.	Mr. T. M. Parikh	Choksi Imaging Limited	Non-Executive, Independent Director
8.	Mr. Nilesh R. Doshi	V. B. Desai Financial Services Limited	Non-Executive, Independent Director
9.	Mr. Vivekanand H. Kamath	NIL	NIL
10.	Ms. Devanshi H. Nanavati	NIL	NIL

List of core skills, expertise, competencies required by the Board and those actually available with the Individual Directors

The Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Sr. No.	List of core skills/ expertise/ competence	Availability of the core skills/ expertise/ competence, with the directors, as on 31st March, 2022									
		Shri S. B. Garware	Ms. Monika Garware	Ms. Sonia Garware	Mr. H. N. Nikam	Dr. M. C. Agarwal	Mr. Ramesh P. Makhija	Mr. T. M. Parikh	Mr. Nilesh R. Doshi	Mr. Vivekanand H. Kamath	Ms. Devanshi H. Nanavati
1.	General: Accounts, Sales and Marketing, Operations, Taxations, Banking, Legal and Administration.	√	√	√	√	√	√	√	√	√	√
2.	Global Business: Keeping Business Connections Globally, Understanding Business Dynamics and other market related factors.	√	√	√	√	√	√	√	√	√	√
3.	Strategy and Planning: Long term and Short-term strategy, planning and support to the Management of the Company.	√	√	√	√	√	√	√	√	√	√
4.	Governance: Maintaining Board and Management accountability, driving Business ethics and values in the best interests of stakeholders.	√	√	√	√	√	√	√	√	√	√

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

Independent Directors:

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The terms and conditions stating the appointment of Independent Directors as provided in Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 has been issued and disclosed on the website of the Company i.e. www.garwarehitechfilms.com.

Independent director databank registration:

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all the Independent Directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the Directors in this regard.

(B) MEETINGS OF BOARD OF DIRECTORS:

The Company Secretary prepares the agenda and explanatory notes, in consultation with the Chairman and Managing Director, Whole-time Director and other Departmental Heads and circulates the same 7 days in advance to all the Directors, to ensure that all applicable laws and regulations, including the Companies Act, 2013 read with Rules issued thereunder, LODR Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), are being complied with. The Company places before the Board all the relevant and necessary data/information at its Meetings related to production, sales, exports, review of business, any legal proceedings by/against the Company, Share Transfers, Quarterly Financial Results, Minutes of: (a) Board Meetings, (b) Audit Committee Meetings, (c) Stakeholders Relationship Committee Meetings (d) Nomination and Remuneration Committee Meeting, (e) Corporate Social Responsibility Committee, (f) Vigil Mechanism Committee, (h) Risk Management Committee and such other relevant information is regularly made available to the Board for discussion and consideration.

The Board of Directors meets at least once in every quarter to review the Quarterly Results of the Company. During the year under review commencing w.e.f. April 1, 2021, Four Board Meetings were held. The gap between any two Board Meetings did not exceed 120 days. The details of Board Meetings held during Financial Year 2021-22 are given below:

Sr. No.	Date	Board Strength	No. of Directors Present
1.	27/05/2021	13	12
2.	29/07/2021	13	13
3.	11/11/2021	13	12
4.	10/02/2022	10	08

Post Meeting Mechanism

The important decisions taken at the Board and Committee Meetings are communicated to the concerned departments/divisions.

The draft Minutes of the Board and its Committees are sent to the respective Directors & Members within 15 days from the date of Board Meeting & Committee Meeting for their comments thereon and then the Minutes are entered in the Minutes Book within 30 days from the date of the Meeting.

Board Support

The Company Secretary attends the Board and Committee Meetings and advises on compliances with the applicable laws and governance.

Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective fields/ profession and who can effectively contribute to the Company’s business and policy decisions are considered by the Nomination and Remuneration Committee, for the appointment as the Independent Director on the Board.

The Committee, *inter alia*, considers qualification, positive attribute, area of expertise, number of Directorship(s) and Membership(s) held in various Committees of other Companies by such persons in accordance with Company’s Policy for Selection of Directors and determining Director’s Independence. The Board considers the Committee’s recommendation, and then takes an appropriate decision.

Familiarisation Programme For Directors

As required under the Listing Regulations and the Act, the Company has an orientation programme upon induction of new Directors, as well as other initiatives to update Directors on a continuous basis. At the time of appointment of the Director, a formal letter of appointment is given to the Director, which *inter alia* explains the role, function, duties and responsibilities expected from Director. The Director is also explained in detail on the compliance part required from him under the Companies Act, 2013, Listing Regulations and other relevant provisions.

The Chairman and Managing Director also have one to one discussion with the newly appointed Director to familiarize him with the Company’s operations. Further, the Company has put in place a system to familiarize the Independent Directors about the Company, its products, business and the on-going events relating to the Company. The details of familiarization program are available on the Company’s website at www.garwarehitechfilms.com.

INDEPENDENT DIRECTORS’ MEETING

During the year, the Independent Directors Meeting was held on February 10, 2022, *inter-alia*, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- Dr. M. C. Agarwal, Mr. T. M. Parikh, Mr. Nilesh R. Doshi, Mr. Vivekanand H. Kamath and Mrs. Devanshi H. Nanavati Independent Directors were present at the meeting.

DETAILED REASONS FOR THE RESIGNATION OF AN INDEPENDENT DIRECTOR WHO RESIGNS BEFORE THE EXPIRY OF THE TERM;

Sr. No.	Name of the Independent Director	Detailed Reasons for the resignation
1	Mr. Boman Moradian Resignation date: February 4, 2022	Reasons: Due to increased responsibilities in consultation assignments. He will not have adequate time to devote and serve on the Board (vide resignation letter dated February 4, 2022). In accordance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with Clause 7B of Part A of Schedule III of Listing Regulations, He confirm that there are no other material reasons other than those provided in the resignation letter dated February 4, 2022.

II. COMMITTEES OF THE BOARD

The Board has constituted Committees of the Directors to take informed decisions and to oversee the activities falling within the purview of their terms of reference.

The following are the various Committees of the Board:

- (A) Audit Committee
- (B) Nomination and Remuneration Committee
- (C) Stakeholders Relationship Committee
- (D) Risk Management Committee
- (E) Corporate Social Responsible Committee
- (F) Vigil Mechanism Committee

(A) AUDIT COMMITTEE:

(i) Composition:

The Board of the Company has constituted an Audit Committee comprising of the following Directors.

Name of Director	Designation	Category
Mr. T. M. Parikh	Chairman	Independent and Non-Executive Director
Mr. R. P. Makhija *	Member	Independent and Non-Executive Director
Dr. M. C. Agarwal	Member	Independent and Non-Executive Director
Mr. Nilesh R. Doshi	Member	Independent and Non-Executive Director
Mr. B. Moradian**	Member	Non-Independent and Non-Executive Director
Mr. B. D. Doshi**	Member	Non-Independent and Non-Executive Director
Mr. C. J. Pathak***	Member	Non-Independent and Executive Director

* Mr. R. P. Makhija was appointed as member of Audit Committee w.e.f. February 10, 2022

** Mr. B. Moradian and Mr. B. D. Doshi were Ceased as member from Audit Committee w.e.f. February 4, 2022 and February 10, 2022 respectively.

*** Mr. C. J. Pathak was Ceased as member of Audit Committee w.e.f. January 13, 2022

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management. The Committee invites the CFO, Statutory Auditor(s) and Internal Auditor to attend the meetings of the Committee.

The Audit Committee, during the Financial Year 2021-22, has approved the Related Party Transactions along with granting omnibus approval in line with the Company's Policy of Related Party Transactions and the applicable provisions of the Companies Act, 2013 and Listing Regulations.

(ii) Terms of Reference:

The powers and terms of reference of the Audit committee are as mentioned in Regulation 18 of the Listing Regulation and Section 177 of the Companies Act, 2013.

The brief descriptions of terms of reference are:

- 1) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible;
- 2) recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- 3) approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- 4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) matters required to be included in the Director's Responsibility Statement; to be included in the Board's Report in terms of clause (c) of subsection (3) of Section 134 of the Companies Act, 2013;

- (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit Report;
- 5) reviewing, with the management, the quarterly Financial Statements before submission to the Board for approval;
 - 6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the Report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - 7) reviewing and monitoring the Auditor's independence & performance, and effectiveness of audit process;
 - 8) approval or any subsequent modification of transactions of the Company with related parties;
 - 9) scrutiny of inter-corporate loans and investments;
 - 10) valuation of undertakings or assets of the Company, wherever it is necessary;
 - 11) evaluation of internal financial controls and risk management systems;
 - 12) reviewing, with the management, performance of statutory and internal Auditors, adequacy of the internal control systems;
 - 13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - 14) discussion with internal Auditors of any significant findings and follow up there on;
 - 15) reviewing the findings of any internal investigations by the internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 - 16) discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - 17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - 18) to review the functioning of the Whistle-Blower mechanism;
 - 19) approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
 - 20) reviewing the utilization of loans and / or advances from / investment by the holding Company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of

the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

- 21) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- 22) Carrying out any other function as may be assigned to it by the board of director from time to time.

(iii) Meetings and attendance during the year:

During the financial year 2021-22, the Audit Committee met 4 (Four) times as per the details given below. The gap between any two meetings does not exceed beyond the statutory limit.

Sr. No.	Date	Strength	No. of Members Present
1.	27/05/2021	6	6
2.	29/07/2021	6	6
3.	11/11/2021	6	6
4.	10/02/2022	4	3

The attendance of Members at the Committee Meetings is as under:

Name of Members	Audit Committee Meetings Attended
Mr. T. M. Parikh	4
Mr. R. P. Makhija*	0
Dr. M. C. Agarwal	4
Mr. Nilesh R. Doshi	4
Mr. B. Moradian**	3
Mr. B. D. Doshi**	3
Mr. C. J. Pathak***	3

* Mr. R. P. Makhija appointed as member of Audit Committee w.e.f. February 10, 2022

** Mr. B. Moradian and Mr. B. D. Doshi were Ceased as member from Audit Committee w.e.f. February 4, 2022 and February 10, 2022 respectively

*** Mr. C. J. Pathak Ceased as member of Audit Committee w.e.f. January 13, 2022

(B) NOMINATION AND REMUNERATION COMMITTEE:

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

(i) Composition:

Name of Director	Designation	Category
Dr. M. C. Agarwal	Chairman	Independent and Non-Executive
Mr. B. Moradian*	Member	Independent and Non-Executive
Mr. T. M. Parikh	Member	Independent and Non-Executive
Mr. B. D. Doshi*	Member	Non-Independent and Non-Executive
Mr. R. P. Makhija**	Member	Independent and Non-Executive

* Mr. B. Moradian and Mr. B. D. Doshi were Ceased as member from Nomination and Remuneration Committee w.e.f. February 4, 2022 and February 10, 2022 respectively

** Mr. R. P. Makhija appointed as member of Nomination and Remuneration Committee w.e.f. February 10, 2022

(ii) Terms of Reference:

The terms of reference of the NRC stated below are wide enough to cover the matters specified in Listing Regulations

- Recommend to the Board, the set up and composition of the Board and its Committees including the "formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees". For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The Committee will consider periodically reviewing the composition of the board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Recommend to the Board, the Appointment or Reappointment of Directors.
- Devise a policy on board diversity.
- Recommend to the Board, the appointment of Key Managerial Personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by this committee).
- Carry out evaluation of every Director's performance and support the Board and Independent Directors in evaluation of the performance of the board, its committees and individual directors.
- This shall include "formulation of criteria for evaluation of independent directors and the board".
- Recommend to the Board the remuneration policy for Directors, executive team or Key Managerial Personnel (KMP).
- To review the overall compensation policy and remuneration payable to Managing Director, Joint Managing Directors, Whole time Directors and Key Managerial Personnel.
- To make recommendations to the Board of Directors on the increments in the remuneration of the Directors and Key Managerial Personnel.
- Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.

(iii) Meeting and Attendance during the year:

During the year the Nomination and Remuneration Committee met 3 (Three) times and details of attendance are as under:

Sr. No.	Date	Strength	No. of Members Present
1.	29/07/2021	4	4
2.	11/11/2021	4	4
3.	10/02/2022	4	2

The details of attendance of members at the committee meetings were as under:

Name of Members	No. of meetings attended
Dr. M. C. Agarwal	3
Mr. B. Moradian*	2
Mr. T. M. Parikh	3
Mr. B. D. Doshi*	2
Mr. R. P. Makhija**	0

* Mr. B. Moradian and Mr. B. D. Doshi were Ceased as member from Nomination and Remuneration Committee w.e.f. February 4, 2022 and February 10, 2022 respectively

** Mr. R. P. Makhija appointed as member of Nomination and Remuneration Committee w.e.f. February 10, 2022

(iv) **The Company does not have any employee stock option scheme.**

(v) **PERFORMANCE EVALUATION**

Regulation 17 of Listing Regulations read with Schedule IV and other applicable provisions of the Act, mandates a formal evaluation to be done by the Board of its own performance and that of its Committees and individual Directors. Independent Directors shall also evaluate the performance of non-independent Directors and the Chairman of the Board.

The evaluation of all the directors including independent directors was carried out by the entire Board, except for the director being evaluated and Nomination and Remuneration Committee. Performance evaluation of the Board, Chairman and the non-independent directors was carried out by the independent directors in their meeting held on February 10, 2022.

The directors were satisfied with the outcome of the evaluations of the Board, its Committees and the individual directors and on the basis of said evaluation reports, the Independent Directors will continue to act as Independent Directors of the Company for their remaining period.

Criteria for performance evaluation of Directors. The Board of Directors has approved the criteria for performance evaluation of Non-Executive Directors (including Independent Directors) as recommended by the Nomination & Remuneration Committee. The said criteria *inter alia* includes following:

- Attendance at the Board / Committee meetings.
- Active participation in the meetings.
- Managing Relationship.
- Knowledge and Skills.
- Personal Attributes.
- Prompts Board discussion on strategic issues.
- Understands and evaluates the risk environment of the organization.
- Conducts himself/herself in a manner that is ethical and consistent with the laws of the land.
- Maintain confidentiality wherever required.

(C) **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

(i) **Composition:**

Name of Director	Designation	Category
Dr. M. C. Agarwal	Chairman	Independent and Non-Executive Director
Mr. Vivekanand H. Kamath *	Member	Independent and Non-Executive Director
Mr. H. N. Nikam *	Member	Non-Independent and Executive Director
Mr. B. Moradian**	Member	Independent and Non-Executive Director
Mr. B. D. Doshi**	Member	Non-Independent and Non-Executive Director

* Mr. Vivekanand H. Kamath and Mr. H. N. Nikam were appointed as member of Stakeholder Relationship Committee w.e.f. February 10, 2022

** Mr. B. Moradian and Mr. B. D. Doshi were Ceased as member from Stakeholder Relationship Committee w.e.f. February 4, 2022 and February 10, 2022 respectively.

(ii) **Compliance Officer**

Name and Designation of the Compliance Officer	Mr. Awaneesh Srivastava - Company Secretary
Address	Garware House, 5-A, Swami Nityanand Marg, Vile Parle (East), Mumbai - 400 057
Telephone Number	022-6698 8000
E-mail	cs@garwarehitech.com

(iii) **Terms of Reference:**

Brief descriptions of terms of reference are:

- To resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- To review of measures taken for effective exercise of voting rights by shareholders.
- To review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

(iv) **Details of Shareholders' Complaints**

During the year under review, the Company has resolved investor grievances expeditiously. As per information received from Registrar & Share Transfer Agent, M/s. Link Intime India Private Limited, the Company had received 1 complaint from the Shareholders, which were resolved within the time frame as mentioned under the SEBI (LODR) Regulations, 2015. The details are as under:

Nature of Complaint	No. of Complaints	No. of Complaints Resolved as on March 31, 2022	No. of Complaints Pending as on March 31, 2022
Transfer of Shares	Nil	Nil	Nil
Dividend	Nil	Nil	Nil
Others	1	1	Nil
Total	1	1	Nil

(v) Meetings and attendance during the year:

During the year, the Committee met 18 (Eighteen) times. As on March 31, 2022, there were no requests pending for transfer of shares. The details of share transfers are reported to the Board of Directors along with the Minutes of the aforesaid Committee Meetings.

The attendance of Members at the aforesaid Committee Meetings was as under:

Name of Members	Meetings Attended
Dr. M. C. Agarwal	17
Mr. Vivekanand H. Kamath	02
Mr. H. N. Nikam	01
Mr. B. Moradian*	12
Mr. B. D. Doshi*	16

*Mr. B. Moradian and Mr. B. D. Doshi were ceased as member from Stakeholder Relationship Committee w.e.f. February 4, 2022 and February 10, 2022 respectively

(vi) Investor's Grievances:

Link Intime India Private Limited, Registrar and Share Transfer Agent redresses the investor's grievances under the supervision of the Secretarial Department of the Company.

(D) RISK MANAGEMENT COMMITTEE

Brief description of terms of reference:

- A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee

In term of Regulation 21 of the Listing Regulations, your Company have constituted the Risk Management Committee to oversee the management of risk in your Company.

(i) Composition:

Name of Members	Designation	Category
Mr. T. M. Parikh	Chairman	Independent and Non-Executive Director
Mr. B. Moradian *	Member	Independent and Non-Executive Director
Mr. B. D. Doshi *	Member	Non-Independent and Non- Executive Director
Mr. C. J. Pathak #	Member	Non-Independent and Executive Director
Dr. M. C. Agarwal	Member	Independent and Non-Executive Director
Mr. R. P. Makhija **	Member	Independent and Non-Executive Director
Mr. Pradeep Mehta	Member	Chief Financial Officer
Mr. Sunil Wadikar **	Member	President Corporate affairs & Finance

Mr. C. J. Pathak was Ceased as member from Risk Management Committee w.e.f. January 13, 2022

* Mr. B. Moradian and Mr. B. D. Doshi Ceased as member from Risk Management Committee w.e.f. February 4, 2022 and February 10, 2022 respectively.

** Mr. R. P. Makhija and Mr. Sunil Wadikar were appointed as member of Risk Management Committee w.e.f. February 10, 2022. Risk Management Committee reviews the process of risk management in your Company.

Audit Committee is also made responsible for overseeing, monitoring and implementation of policies related to Vigil Mechanism and Business Risk Management.

(ii) Meeting and Attendance during the year:

During the year the Risk Management Committee met 2 (two) times and details of attendance are as under:

Sr. No.	Date	Strength	No. of Members Present
1.	29/07/2021	6	6
2.	21/01/2022	5*	4

The details of attendance of members at the committee meetings were as under:

Name of Members	No. of meetings attended
Mr. C. J. Pathak *	1
Mr. B. Moradian	2
Mr. T. M. Parikh	1
Dr. M. C. Agarwal	2
Mr. B. D. Doshi	2
Mr. Pradeep Mehta	2

*Mr. C J Pathak Ceased w.e.f. January 13, 2022.

(E) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

(i) Composition:

Name of Director	Designation	Category
Dr. M. C. Agarwal	Chairman	Independent and Non-Executive Director
Mrs. Sarita Garware Ramsay *	Chairman/Member	Non-Independent and Executive Director
Mr. Nilesh Doshi**	Member	Independent and Non-Executive Director
Mr. H. N. Nikam**	Member	Non-Independent and Executive Director
Mr. B. Moradian*	Member	Independent and Non-Executive Director
Mr. B. D. Doshi*	Member	Non-Independent and Non-Executive Director

* Mr. B. Moradian Ceased as member from Corporate Social Responsibility Committee w.e.f. February 4, 2022

Mrs. Sarita Garware Ramsay and Mr. B. D. Doshi Ceased as member from Corporate Social Responsibility Committee w.e.f. February 10, 2022

** Mr. H. N. Nikam and Mr. Nilesh Doshi appointed as member of Corporate Social Responsibility Committee w.e.f. February 10, 2022.

Mr. Awaneesh Srivastava, Company Secretary of the Company act as a Secretary to the Committee.

The Company has formulated CSR Policy, which is uploaded on the website of the Company www.garwarehitechfilms.com.

(ii) Brief description of terms of reference:

The Committee *inter-alia* authorized to formulate and recommend to the Board a CSR Policy, the amount of expenditure to be incurred on the permissible activities as prescribed under Schedule VII of the Companies Act, 2013. The Committee shall be responsible for monitoring the CSR Policy.

(iii) Meeting and Attendance during the year:

During the year the Corporate Social Responsibility Committee met 3 (Three) times and details of attendance are as under:

Sr. No.	Date	Strength	No. of Members Present
1.	17/05/2021	4	4
2.	11/11/2021	4	4
3.	31/03/2022	3	3

The details of attendance of members at the committee meetings were as under:

Name of Members	No. of meetings attended
Dr. M. C. Agarwal	3
Mrs. Sarita Garware Ramsay**	2
Mr. Nilesh Doshi #	1
Mr. H. N. Nikam #	1
Mr. B. Moradian*	2
Mr. B. D. Doshi**	2

* Mr. B. Moradian Ceased as member from Corporate Social Responsibility Committee w.e.f. February 4, 2022

**Mrs. Sarita Garware Ramsay and Mr. B. D. Doshi ceased as member from Corporate Social Responsibility Committee w.e.f. February 10, 2022.

Mr. H. N. Nikam and Mr. Nilesh Doshi were appointed as member of Corporate Social Responsibility Committee w.e.f. February 10, 2022.

(F) VIGIL MECHANISM COMMITTEE

The Company has constituted the Vigil Mechanism Committee for its Directors and Employees to report their genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The mechanism provides for adequate safeguards against victimization of Director(s) and Employee(s) who avail of the mechanism. In all cases, Directors and Employees have direct access to the Committee and in exceptional circumstances, Chairman of the Audit Committee. Further no personnel have been denied access to the Chairman of the Audit Committee.

The Whistle Blower Policy is available on Company's website at www.garwarehitechfilms.com.

III. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

(A) REMUNERATION TO NON- EXECUTIVE DIRECTORS

The Non-Executive Directors are entitled for sitting fees and reimbursement of expenses for participation in the Board / Committee meetings as per the NRC policy of the Company. The total amount of sitting fees paid during the Financial Year 2021-22 was ₹ 11,67,500/-. The Non-Executive Directors does not have any material pecuniary relationship or transactions with the Company apart from receiving the remuneration.

(B) REMUNERATION TO EXECUTIVE DIRECTORS

The appointment and remuneration of Executive Directors including Chairman and Managing Director, Joint Managing Directors and Whole – Time Director is routed through the recommendation of the Nomination and Remuneration Committee and accordingly the Resolutions with respect to their appointments were passed by the Board of Directors and Shareholders of the Company. The remuneration package of Chairman and Managing Director, Joint Managing Directors and Whole-time Director comprises of salary, perquisites, allowances and contributions to provident fund and other retirement benefits as approved by the Shareholders at the General Meeting.

The Remuneration of the Board Members is also based on the Company's size, its economic and financial position, industrial trends and compensation paid by peer Companies. The Compensation reflects each Board Member's responsibility and performance. The remuneration to Chairman and Managing Director, Joint Managing Directors, and Whole Time Director are paid as per the Agreements entered into between them and the Company.

(C) Details of Remuneration paid to Directors for The Year Ended March 31, 2022.

(i) Remuneration paid to Non-Executive Directors:

Details of sitting fees paid to Non- Executive Directors during Financial Year 2021-22 are given below:

(Amount in ₹)

Names	Board Meeting	Audit Committee Meeting	Stakeholder's Relationship Committee Meeting	Nomination & Remuneration Committee Meeting	Corporate Social Responsibility Committee Meeting	Independent Directors Meeting	Risk Management Committee Meeting	Vigil Mechanism Committee Meeting
Ms. Sonia Garware	60,000/-	-	-	-	-	-	-	-
Mr. B. Moradian	60,000/-	30,000/-	30,000/-	10,000/-	10,000/-	-	10,000/-	5,000/-
Dr. M. C. Agarwal	80,000/-	40,000/-	42,500/-	15,000/-	15,000/-	20,000/-	10,000/-	5,000/-
Mr. Ramesh P. Makhija	40,000/-	-	-	-	-	-	-	-
Mr. T. M. Parikh	80,000/-	40,000/-	-	15,000/-	-	20,000/-	5,000/-	5,000/-
Mr. Nilesh R. Doshi	80,000/-	40,000/-	-	-	5,000/-	20,000/-	-	5,000/-
Mr. B. D. Doshi	60,000/-	30,000/-	40,000/-	10,000/-	10,000/-	-	10,000/-	5,000/-
Mr. Vivekanand Heroor Kamath	80,000/-	-	5,000/-	-	-	20,000/-	-	-
Ms. Devanshi H Kamath	80,000/-	-	-	-	-	20,000/-	-	-
TOTAL	6,20,000/-	1,80,000/-	1,17,500/-	50,000/-	40,000/-	1,00,000/-	35,000/-	25,000/-

(ii) Remuneration paid to Executive Directors:

The aggregate remuneration paid to Executive Directors during the financial year 2021-22 is as under:

(₹ In Lakh)

Names	Salary	Perquisites & Allowances	Retirement Benefits	Performance linked Bonus/ Commission	Stock Option	Total
Shri. S. B. Garware	615.61	0.40	-	264.56	-	880.57
Ms. Monika Garware	426.32	0.40	82.30	191.66	-	700.68
Mrs. Sarita Garware Ramsay#	321.33	0.36	60.20	143.78	-	525.67
Mr. C. J. Pathak*	171.13	0.33	-	-	-	171.46
Mr. H. N. Nikam§	10.26	0.08	-	-	-	10.34

*Mr. C. J. Pathak ceased from the Board of Directors w.e.f. January 13, 2022

Mrs. Sarita Garware Ramsay has ceased from the Board of Directors w.e.f. February 10, 2022

§ Mr. H. N. Nikam appointed as whole-time director of the Company w.e.f. January 14, 2022

Executive Directors are covered under the Company's gratuity and leave encashment schemes along with other employees / directors of the Company. These liabilities are determined for all employees/directors by an independent actuarial valuation.

No severance pay is payable on termination of contract.

The Company does not have a scheme to grant stock options.

IV. INFORMATION ON GENERAL BODY MEETINGS

A) DETAILS OF THE LAST 3 (THREE) ANNUAL GENERAL MEETINGS (AGM) HELD BY THE COMPANY ARE AS UNDER:

AGM	Date	Venue	Time
62 nd AGM	25/09/2019	At Registered Office: Naigaon, Post Waluj, Aurangabad - 431133	11.30 a.m.
63 rd AGM	23/12/2020		11.30 a.m.
64 th AGM	28/09/2021		11.30 a.m.

B) THE FOLLOWING SPECIAL RESOLUTIONS WERE PASSED IN PREVIOUS THREE ANNUAL GENERAL MEETINGS:

Date of Meeting	Summary of Resolution
September 28, 2021	<ol style="list-style-type: none"> Appointment of Ms. Devanshi H. Nanavati (DIN: 08770422) as an Independent Director (for a second term of 5 (Five) years commencing from June 25, 2021 up to June 24, 2026. Re-appointment of Ms. Monika Garware (DIN: 00143400), as a Joint Managing Director of the Company. Re-appointment of Mrs. Sarita Garware Ramsay (DIN: 00136048), as a Joint Managing Director of the Company. To alter the Articles of Association of the Company.
December 23, 2020	<ol style="list-style-type: none"> Modify the terms of remuneration of Ms. Monika Garware - Vice Chairperson and Joint Managing Director of the Company with effect from April 01, 2020. Modify the terms of remuneration of Ms. Sarita Garware Ramsay - Joint Managing Director of the Company with effect from April 01, 2020. Dr. M. C. Agarwal who was appointed as Independent Director of the Company shall continue to act as an Independent Director of the Company on his attaining the age of 75 (seventy-Five) years upto the completion of his term on March 31, 2024.
September 25, 2019	<ol style="list-style-type: none"> Re-appointment and payment of remuneration to Shri S. B. Garware – Chairman and Managing Director of the Company for a further period of five years with effect from November 01, 2019. Re-appointment of Mr. Nilesh R. Doshi as a Non-Executive & Independent Director of the Company for a second term of five consecutive years with effect from November 01, 2019 to October 31, 2024. Re-appointment and payment of remuneration to Mr. C. J. Pathak as Whole Time Director of the Company for a further period of five years with effect from October 01, 2019. Appointment of Mr. B. D. Doshi as Non-Executive and Non-Independent Director of the Company for a period of 5 years i.e. from the conclusion of 62nd Annual General Meeting till the conclusion of the 67th Annual General Meeting of the Company.

C) POSTAL BALLOT:

During the financial year ended March 31, 2022, the Company has conducted one Postal Ballot from February 28, 2022 to March 29, 2022 vide notice of Postal Ballot dated February 10, 2022 to seek members approval by way of passing a Special Resolution for appointment of Mr. Hemant N. Nikam as Whole Time Director of the Company. Mr. Nilesh G. Shah, Partner, M/s. Nilesh Shah and Associates, Practicing Company Secretaries (FCS 4554) was appointed as the Scrutinizer for conducting the Postal Ballot / e-Voting process, in a fair and transparent manner and he submitted his report on March 30, 2022 and the result of postal ballot was announced on same date. Accordingly, the Special Resolution was passed with requisite majority on March 29, 2022.

Result of the postal ballot exercise was as follows:

Res. No.	Resolution	Postal Ballot		E-Voting		Result
		For	Against	For	Against	
1	Appointment of Mr. Hemant N. Nikam as the Whole-Time Director of the Company	12,749	0	1,53,14,870	21,191	Passed with requisite majority

Whether any special resolution is proposed to be conducted through postal ballot:

Members' approval, which were required through postal ballot during the financial year 2021-22, it was conducted in accordance with the applicable law.

D) PROCEDURE FOR POSTAL BALLOT:

Pursuant to Section 108, 110 and other applicable provisions of the Companies Act, 2013, the Company has conducted the postal ballot from February 28, 2022 to March 29, 2022. The notice of postal ballot dated February 10, 2022 along with Postal Ballot Form and Explanatory Statement has been dispatched on February 25, 2022 to all the Members/ Beneficial Owners whose names appear in the Company's Register of Members records of depositories as on the cut-off date of February 22, 2022. The Company also published a notice of completion of dispatch of postal ballot notice in the newspapers in accordance with the requirements of Companies Act, 2013. The members were provided with the facility to cast their votes either through dispatch of physical Postal Ballot Forms by post or through electronically voting facility provided by National Securities Depository Limited (NSDL). The Company had engaged NSDL to provide e-voting facility. The e-voting facility was available from Monday, February 28, 2022 (9:00 a.m. onwards) till Tuesday, March 29, 2022 (up to 5:00 pm). Mr. Nilesh G. Shah, Partner, M/s. Nilesh Shah and Associates, Practicing Company Secretaries (FCS 4554) was appointed as the Scrutinizer for conducting the Postal Ballot / e-Voting process, in a fair and transparent manner and he submitted his report on March 30, 2022 and the result of postal ballot was announced on same date. Accordingly, the Special Resolution was passed with requisite majority on March 29, 2022.

V. MEANS OF COMMUNICATION

- Unaudited quarterly, half yearly and year to date financial results are announced within forty-five days of end of each quarter. The annual audited financial results are announced within sixty days from the end of the financial year as per the requirements of the Listing Regulations. The aforesaid financial results are submitted to BSE Limited (BSE) & National Stock Exchange of India Limited (NSE) where the shares of the Company are listed, immediately after the same

were approved by the Board. The quarterly and annual results are generally published in leading English and Marathi daily newspapers within forty-eight hours of conclusion of Board Meeting. The audited financial statements form a part of the Annual Report which is sent to all the members well in advance prior to the Annual General Meeting.

- The Company also informs BSE & NSE on all price sensitive information / matters or such other matters, which in the opinion of the Board are material and of relevance to the members.
- In compliance with Listing Regulations and other rules and regulations issued by SEBI, the quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchange viz. BSE Limited & National Stock Exchange of India Limited are filed electronically on BSE & NSE online portal. (Listed on NSE from 3rd February 2022)
- Periodic information relating to Shareholding Pattern and Quarterly Financial Results are also made available on the Company's website at www.garwarehitechfilms.com.
- Company files with BSE & NSE all the presentations made to institutional investors or to the analysts as per the requirement of Listing Regulations and also made it available on Company's website at www.garwarehitechfilms.com.

VI. GENERAL SHAREHOLDER INFORMATION

- (i) **Annual General Meeting Date, Time and Venue:** Tuesday, September 27, 2022 at 11.30 a.m. at Registered Office of the Company – Naigaon, Post Waluj, Aurangabad – 431 133.
- (ii) **Financial Year:** 1st April to 31st March.
- (iii) **Dividend payment date:** September 28, 2022
- (iv) **Financial Calendar (tentative)**

Financial Year	1 st April, 2022 to 31 st March, 2023
Unaudited Financial Results for the Quarter ending:	Within 45 / 60 days from the end of reporting quarter.
1. June 30, 2022;	
2. September 30, 2022;	
3. December 31, 2022 and	
4. March 31, 2023.	
Annual General Meeting for year ending - March 31, 2023.	Before the end of September 2023.
Date of Book Closure for the current financial year	Wednesday, September 21, 2022 to, Tuesday, September 27, 2022 (Both days inclusive)
Email address for Investor Complaints	cs@garwarehitech.com

(v) Listing of Equity Shares on Stock Exchanges and Stock Codes

Name and address of the Stock Exchange	Stock Code
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai Samachar Marg, Mumbai, Maharashtra - 400001	500655
NSE Limited Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051	GRWRHITECH
ISIN	INE291A01017

The Company has paid Annual Listing fees to the Stock Exchanges for the financial year 2022-23.

(vi) Stock Market Data and their Performance v/s S&P BSE Sensex

The high/low of the market price of the shares of the Company and the performance thereof with the BSE Sensex are given in the charts below:

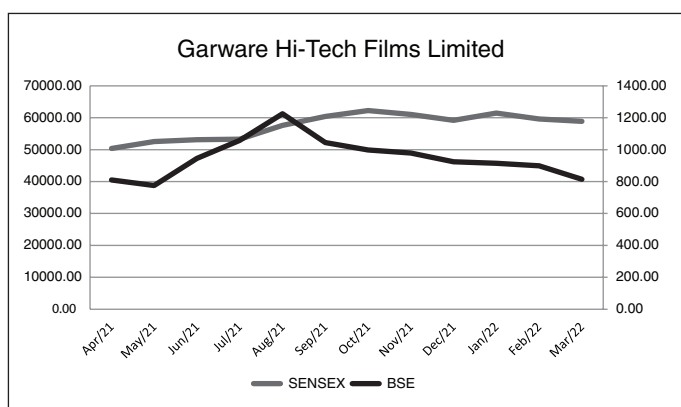
Month	BSE		NSE	
	High (₹)	Low (₹)	High	Low
April 2021	810.00	675.50	-	-
May 2021	923.95	706.00	-	-
June 2021	945.00	848.05	-	-
July 2021	1058.40	890.00	-	-
August 2021	1225.15	960.00	-	-
September 2021	1043.90	915.00	-	-
October 2021	997.80	869.10	-	-
November 2021	978.80	757.00	-	-
December 2021	924.00	747.10	-	-
January 2022	915.00	792.15	-	-
February 2022	899.00	609.00	889*	606.05
March 2022	814.00	681.60	815	682

* The Company got listed on NSE in the Month of February, 2022.

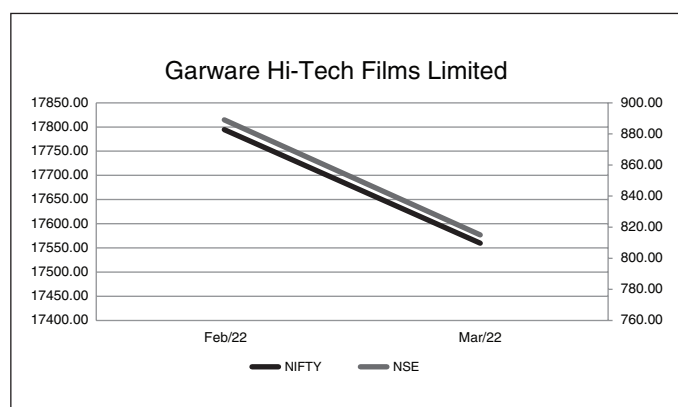
STOCK PERFORMANCE IN COMPARISON TO BSE SENSEX.

Month	BSE Sensex				BSE Garware Hi-Tech (Price INR)			
	Open	High	Low	Close	Open	High	Low	Close
Apr-21	49868.53	50375.77	47204.5	48782.36	705.00	810.00	675.50	753.95
May-21	48356.01	52013.22	48028.07	51937.44	764.00	923.95	706.00	914.35
Jun-21	52067.51	53126.73	51450.58	52482.71	918.00	945.00	848.05	891.00
Jul-21	52638.5	53290.81	51802.73	52586.84	890.00	1058.40	890.00	1058.40
Aug-21	52901.28	57625.26	52804.08	57552.39	1111.30	1225.15	960.00	1017.80
Sep-21	57763.53	60412.32	57263.9	59126.36	1026.00	1043.90	915.00	933.80
Oct-21	58889.77	62245.43	58551.14	59306.93	934.00	997.80	869.10	892.15
Nov-21	59577.48	61036.56	56382.93	57064.87	892.00	978.80	757.00	796.00
Dec-21	57365.85	59203.37	55132.68	58253.82	791.15	924.00	747.10	805.90
Jan-22	58310.09	61475.15	56409.63	58014.17	815.90	915.00	792.15	818.95
Feb-22	58672.86	59618.51	54383.2	56247.28	822.00	899.00	609.00	797.90
Mar-22	55629.30	58890.92	52260.82	58568.51	797.50	814.00	681.60	697.20

Price vs BSE Sensex



Price vs NSE Nifty



• **Company Listed on NSE on 3rd February, 2022.**

(vii) Registrars and Share Transfer Agents

Link Intime India Private Limited C-101,247 Park,
L.B.S. Marg, Vikhroli (West), Mumbai – 400 083.
Tel. No.: 022 - 49186000 Fax No.: 022 – 49186000
E-mail: rnt.helpdesk@linkintime.co.in

(viii) Share Transfer System.

Transmission, dematerialisation of shares, dividend payment and all other investor related matters are attended to and processed by the Company's RTA.

In terms of requirements of Regulation 40 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the request for transfer of securities shall not be processed unless the securities are held in the dematerialized form with Depositories. While the request for transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. Further, SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022, has mandated the listed entities to issue securities for the following service requests only in dematerialised form:

- i. Issue of duplicate securities certificate;
- ii. Claim from Unclaimed Suspense Account;
- iii. Renewal / Exchange of securities certificate;
- iv. Endorsement;
- v. Sub-division / Splitting of securities certificate;
- vi. Consolidation of securities certificates / folios;
- vii. Transmission; and
- viii. Transposition.

Updation of PAN, KYC and Nomination details

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 has provided common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC and Nomination details.

As per the said Circular, it is mandatory for the shareholders holding securities in physical form to *inter alia* furnish PAN, KYC and Nomination details.

Physical folios wherein the PAN, KYC and Nomination details are not available on or after 1st April, 2023, shall be frozen by the RTA and will be eligible for lodging any service request or receiving payment including dividend only after registering the required details. The said physical folios shall be referred by the Company or

RTA to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on 31st December, 2025

All queries and requests relating to share transfers /transmissions may be addressed to our RTA. To expedite the process of share transfers, the Stakeholders Relationship Committee has been empowered to attend to the share transfer formalities at regular intervals. Pursuant to Regulation 40 of Listing Regulations, as amended vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and Press Release No: 49/2018 dated December 03, 2018, shareholders may please note that, with effect from April 01, 2019, transfer of shares (except transmission and transposition of shares) will be in dematerialised form only. However, transfer deeds which were lodged with the Company on or before March 31, 2019, but were returned due to any deficiency, will be processed upon re-lodgement. SEBI, vide circular no. SEBI/ HO/MIRSD/RTAMB/CIR/P/2020/166 dated September 07, 2020, has fixed March 31, 2021 as the cut-off date for re-lodgment of transfer requests and has stipulated that such transferred shares shall be issued only in demat mode. Therefore, the shareholders are requested to dematerialize their shares for their own benefit.

(ix) Category wise shareholding as on March 31, 2022

Sr. No.	Category	No. of shares held	% of shareholding
1.	Promoters (Shri S. B. Garware, family and Associates)	1,41,05,972	60.72
2.	Mutual Funds	1,43,976	0.62
3.	Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions / Non-Govt. Institutions)	5,98,492	2.58
4.	Private Corporate Bodies	9,03,580	3.89
5.	Foreign Institutional Investors & NRI	1,30,478	0.56
6.	IEPF Account	3,44,693	1.48
7.	Indian Public and Others	70,05,203	30.14
	Grand Total	2,32,32,394	100.00

(x) Distribution of Shareholdings as on March 31, 2022:

No. of Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1 to 5000	31410	99.6	3887341	16.73
5001 to 10000	57	0.2	417353	1.80
10001 to 20000	30	0.1	412199	1.77
20001 to 30000	14	0.0	318015	1.37
30001 to 40000	3	0.0	111122	0.48
40001 to 50000	2	0.0	92462	0.40
50001 to 100000	10	0.0	714415	3.08
100001 and above	12	0.0	17279487	74.37
Total	31538	100.00	23232394	100.00

(xi) Dematerialization of Shares and Liquidity

Company's shares are available for dematerialization on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), for which purpose the Company has entered into Agreements with the respective Institutions.

Nearly 97.09% of the equity shares of the Company have been dematerialized by investors and bulk of transfers take place in the Demat form.

(xii) There are no outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments issued by the Company.

(xiii) Commodity price risk or foreign exchange risk and hedging activities:

During the year 2021-22, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company entered into forward contracts for hedging foreign exchange exposures against exports net of imports. There is no direct hedgeable commodity risk that the Company has on any of its raw materials or finished products. Thus, the Risk Management Policy covers only net forex exposure on account of its imports and exports.

The details of foreign currency exposure are disclosed in the Note No. 32 (c) to the Financial Statement.

(xiv) Plants Location: Waluj, Chikalthana and Nasik.

(xv) Address for Correspondence:

Garware Hi-Tech Films Limited

(Formerly known as Garware Polyester Limited)

Garware House,

50-A, Swami Nityanand Marg,

Vile Parle (East), Mumbai – 400 057. Tel No: 022-6698 8000 – 15

Fax No: 022-2824 8155 / 66

E-mail :cs@garwarehitech.com

(xvi) Credit ratings of Bank Borrowings:

Sr. No.	Facilities	Rating
1.	Long Term Bank facilities	CARE A; Positive (Single A; Outlook: Positive)
2.	Short Term Bank facilities	CARE A1 (A One)

VII. DISCLOSURES

(A) COMPLIANCES WITH GOVERNANCE FRAMEWORK

- (i) The Company is in compliance with all mandatory requirements of Listing Regulations.
- (ii) All the transactions entered into with the Related Parties as defined under the Companies Act, 2013 and the Regulation 23 of Listing Regulations during the financial year were in the ordinary course of business and at an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year. Related party transactions have been disclosed under the Note No. 30 of IND AS notes forming part of the financial statements for the year ended March 31, 2022 in accordance with "Indian Accounting Standard 24". A statement in summary form of transactions with related parties in the ordinary course of business and at an arm's length basis is periodically placed before the Audit Committee for the review and recommendation to the Board for their approval. The Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company www.garwarehitechfilms.com
- (iii) None of the transactions with related parties were in conflict with the interest of the Company. All the transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis or fair value.
- (iv) In the preparation of the financial statements, the Company has followed the Indian Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to Financial Statements.
- (v) The Company recognizes the "Risk Management" as an integrated, forward-looking process oriented approach for managing "Enterprise Wide Risks". The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedures and periodical review to ensure that management controls risk through means of properly defined frame work.
- (vi) Adoption of non-mandatory requirements of Listing Regulations is being reviewed by the Board from time- to-time.

(B) CODE OF CONDUCT

The Board has formulated a Code of Conduct for the Board Members and Senior Management Personnel of the Company. All the Board Members and Senior Management Personnel have affirmed their compliance with the code for the Financial Year ended 31st March, 2022. A Declaration to this effect signed by the Chairman of the Company is given elsewhere in the Annual Report.

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and Designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed.

All the Board of Directors and the Designated employees have confirmed compliance with the code.

The Company has adopted new "Code of Fair Disclosure Conduct" and 'Code for prevention of Insider Trading' for regulating, monitoring and reporting of trading by Insider as stated under

SEBI (Prohibition of Insider Trading) Regulation 2015. Pursuant to provision of Regulation 8 and 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation 2015 ("Insider Regulations"), a code of Practices and Procedures for fair disclosure of unpublished price sensitive information of the Company (The Code) has been formulated.

(C) DETAILS OF NON-COMPLIANCE ETC.

The Company has complied with all the requirements of regulatory authorities. During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets.

(D) VIGIL MECHANISM

In accordance with Regulation 22 of Listing Regulations and pursuant to Section 177(9) of Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, the Company has adopted a Whistle Blower Policy, the employees are free to report violations of law, rules, regulations or un-ethical conduct to their immediate superior and that they have not been denied direct access to the Audit Committee. The confidentiality of those reporting / violations is maintained and they are not subjected to any discriminatory practice.

The Ethics Helpline can be contacted to report any suspected or confirmed incident of fraud/misconduct on: Email: tmp@garwarehitech.com, Telephone No: 0240-2567400.

(E) COMPLIANCE REPORT ON DISCRETIONARY REQUIREMENTS UNDER REGULATION 27(1) OF THE LISTING REGULATIONS:

- (i) **The Board:** Our chairman is an Executive Director and maintains the Chairman's office at the Company's expenses for the performance of his duties.
- (ii) **Shareholders' rights:** We did not send half-yearly results to the household of each shareholder(s) in FY 2021-22. Our quarterly and half-yearly results are displaying on our website of the Company at www.garwarehitechfilms.com and were published in widely circulated newspapers
- (iii) **Audit qualifications:** The auditors have not qualified the financial statements of the Company.
- (iv) **Reporting of internal audit:** The internal auditors regularly updates the audit committee on internal audit findings at the committee's meetings and conference calls.

(F) SUBSIDIARY COMPANIES

Your Company has two unlisted subsidiary Companies in terms of Regulation 16 of the Listing Regulations. The Audit Committee reviews the financial statements of the unlisted subsidiaries. The policy for determining the material subsidiary is hosted on Company's website at www.garwarehitechfilms.com.

(G) DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT

The Company did not raise any funds through preferential allotment or qualified institutions placement during the Financial Year 2021-22.

(H) CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

Certificate from M/s. Nilesh Shah & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / Ministry of Corporate Affairs or any other statutory authority, is annexed to this Report.

(I) THERE WERE NO INSTANCES WHERE THE RECOMMENDATIONS MADE BY ANY OF THE STATUTORY COMMITTEES WERE NOT ACCEPTED BY THE BOARD.

(J) PAYMENT TO STATUTORY AUDITORS:

Total fees paid to Manubhai & Shah, Statutory Auditor and Kirtane and Pandit LLP, Joint Auditor of the Company is ₹ 40.37 Lakhs and ₹ 14.38 Lakhs respectively for all services on a consolidated basis.

(K) DISCLOSURE IN RELATION TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Pursuant to the requirements of Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013, your Company has a Policy and framework for employees to report sexual harassment cases at work place and our process ensures complete anonymity and confidentiality of information. The Policy is available on the website of the Company www.garwarehitechfilms.com

No. of complaints filed during the financial year 2021-22	NIL
No. of complaints disposed of during the financial year 2021-22	NIL
No. of complaints pending during the Financial Year 2021-22	NIL

(L) DISCLOSURE BY THE COMPANY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS /COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT': NIL

(M) THE CORPORATE GOVERNANCE REPORT PREPARED, CONTAINS DETAILS AS SPECIFIED IN REGULATIONS 17 TO 27, CLAUSES (B) TO (I) OF SUB – REGULATION (2) OF REGULATION 46 AND PARA C, D, AND E OF SCHEDULE V OF THE LISTING REGULATIONS ('APPLICABLE CRITERIA') FOR THE YEAR ENDED MARCH 31, 2022 AS REQUIRED BY THE COMPANY FOR ANNUAL SUBMISSION TO THE STOCK EXCHANGE.

(N) RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As stipulated by SEBI, a Qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Bombay Stock Exchange Limited, where the Company's shares are listed. The audit confirms that total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

Top 10 Shareholders as on March 31, 2022 other than Promoter / Promoter Group.

Sr. No.	Name of the Shareholder	No. of Shares held	% of Holding
1.	Ashish Kacholia	864577	3.72
2.	Minal Bharat Patel	696991	3.00
3.	Life Insurance Corporation Of India	596122	2.56

Sr. No.	Name of the Shareholder	No. of Shares held	% of Holding
4.	Investor Education And Protection Fund Authority Ministry of Corporate Affairs	344693	1.48
5.	Garware Technical Fibres Limited	146350	0.63
6.	Quant Mutual Fund – Quant Small Cap Fund	139000	0.60
7.	Sejal Rikeen Dalal	136000	0.58
8.	Finquest Financial Solutions Pvt. Ltd.	130782	0.56
9.	Dalal & Broacha Stock Broking Pvt.Ltd.	120000	0.52
10.	Mukul Mahavir Agrawal	99000	0.43

(O) TRANSFER OF UNCLAIMED /UNPAID AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, shares in respect of such dividends which have not been claimed for a period of 7 consecutive years are also liable to be transferred to the Demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. The provisions relating to transfer of shares were made effective by the Ministry of Corporate Affairs, vide its Notification dated October 13, 2017 read with the circular dated October 16, 2017.

The details of unclaimed dividends and shares transferred to IEPF are as follows:

Financial year	Amount of Unclaimed dividend transferred (₹ in Lakh)	Number of shares transferred
2008-09	4.69	1,90,580
	(Transferred on 30/01/2017)	(Transferred on 05/01/2018)
2009-10	7.46	14,459
	(Transferred on 01/12/2017)	(Transferred on 20/04/2018)
2010-11	7.71	13,821
(Interim Dividend)	(Transferred on 20/01/2018)	(Transferred on 14/06/2018)
2010-11	45.44	78,464
(Final Dividend)	(Transferred on 01/03/2019)	(Transferred on 29/03/2019)
2011-12	7.81	47,879
(Final Dividend)	(Transferred on 24/10/2019)	(Transferred on 19/11/2019)

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred.

The following tables give information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's Registrar and Share Transfer Agent:

Financial Year	Date of Declaration	Last date for claiming unpaid dividend
2016-17	27/09/2017	02/11/2024
2017-18	28/09/2018	02/11/2025
2018-19	25/09/2019	30/10/2026
2019-20	12/03/2020	16/04/2027
2020-21	28/09/2021	02/11/2028

(P) CMD/CFO CERTIFICATION

The Chairman & Managing Director and Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board as required under Regulation 17 of the Listing Regulations. The Chief Financial Officer also gives quarterly certification on financial results while placing the financial results before the Board in terms of LODR Regulations.

(Q) DETAILS OF SHARES IN SUSPENSE ACCOUNT:

Sr. No.	Particulars	Status
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	NIL
2.	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	NIL
3.	Number of shareholders to whom shares were transferred from suspense account during the year;	NIL
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	NIL

(R) SECRETARIAL AUDIT:

- **M/s. Nilesh Shah & Associates**, Practicing Company Secretaries have conducted the Secretarial Audit of the Company for the year 2021-22. Their Audit Report confirms that the Company has complied with its Memorandum and Articles of Association, the applicable provisions of the Act and the Rules made there under, Listing Regulations, applicable SEBI (LODR) Regulations, 2015 and other laws applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.
- Pursuant to Regulation 40(9) of the (LODR) Regulations, 2015, Certificates have been issued on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

Declaration of Compliance with the Code of Conduct

I hereby Confirm that:

The Company has obtained from all the Members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the Financial Year ended 31st March, 2022.

Place: Mumbai
 Date: May 26, 2022

S. B. Garware
 Chairman & Managing Director

**CERTIFICATE BY CMD/CFO AS PER REGULATION 17(8) OF THE
SEBI (LODR) REGULATION, 2015**

**PRACTICING COMPANY SECRETARY'S CERTIFICATE ON
CORPORATE GOVERNANCE**

The Board of Directors,
Garware Hi-Tech Films Limited
(Formerly known as Garware Polyester Limited)
Garware House, 50-A, Swami Nityanand Marg,
Vile Parle (East)
Mumbai – 400 057.

We certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2022 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit committee
 - i. that there were no significant changes in internal controls over financial reporting during the financial year;
 - ii. that there were no significant changes in accounting policies made during the year; and
 - iii. that there were no instances of significant fraud of which we have become aware.

S. B. Garware
Chairman and Managing Director

Pradeep Mehta
Chief Financial Officer

Place: Mumbai
Date: May 26, 2022

To,
The Members of
GARWARE HI-TECH FILMS LIMITED
(Formerly known as Garware Polyester Limited)

1. This Certificate on Corporate Governance has been issued in accordance with the terms of our Engagement Letter.
2. We have examined the compliance of conditions of Corporate Governance by **GARWARE HI-TECH FILMS LIMITED** ("the Company") for the year ended 31st March 2022, as specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations").
3. **Management's Responsibility:**
The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of Internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.
4. **Auditor's Responsibility:**
Our examination was limited to the review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. **Opinion:**
 - a. In our opinion, and to the best of our information and according to the explanations given to me and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities Exchange Board of India warranted due to Covid-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.
 - b. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
6. **Restrictions on use:**

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any other duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without my prior consent in writing.

For **Abbas Lakdawalla & Associates LLP**

Practicing Company Secretaries

Unique Code: L2021MH010000

CS VYOMA DESAI

Designated Partner

FCS 11166 CP 23010

Place: Mumbai

Dpin: 09130520

Date : May 20, 2022

UDIN: F011166D00355587

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34 (3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
Garware Hi- Tech Films Limited
(Formerly known as Garware Polyester Ltd)
Naigaon, Post Waluj,
Aurangabad-431133

We have examined the relevant registers, records, forms, Email confirmation, returns and disclosures received from the Directors of **Garware Hi-Tech Films Limited (Formerly known as Garware Polyester Ltd)** having CIN **L10889MH1957PLC010889** and having registered office at Naigaon, Post, Waluj Aurangabad – 431 133 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and carried by us and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **March 31, 2022** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authorities:

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Shashikant Bhalchandra Garware	00943822	06/06/1957
2.	Sonia Garware	00135995	31/01/2007
3.	Monika Garware	00143400	31/03/1989
4.	Tushar Madhuvandas Parikh	00049287	27/12/2013
5.	Ramesh Pahlajrai Makhija	00209869	12/11/2009
6.	Nilesh Ramanlal Doshi	00249715	12/11/2014
7.	Mahesh Chandra Agarwal	02595878	29/04/2009
8.	Vivekanand Heroor Kamath	07260441	08/08/2018
9.	Devanshi Hemant Nanavati	08770422	25/06/2020
10.	Hemant Narayan Nikam	07517849	14/01/2022

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Name: Nilesh Shah
For: **Nilesh Shah & Associates**
FCS : 4554
C.P. : 2631
Peer Review No. 698/2020
UDIN: F004554D000394273

Date:- May 26, 2022
Place:- Mumbai

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Garware Hi-Tech Films Limited
(formerly known as Garware Polyester Limited)

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Garware Hi-Tech Films Limited (formerly known as Garware Polyester Limited)** ('the Company'), which comprise the Standalone Balance Sheet as at 31st March 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as 'the standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that the matters described below to be the Key Audit Matters to be communicated in the Report:

Sr. No.	Key Audit Matters	Auditor's Response (Audit Procedures followed)
1.	Evaluation of Tax matters The Company has some Direct & Indirect tax matters which involve judgment to determine possible outcome of these tax assessments.	Principal Audit Procedures <ul style="list-style-type: none"> We have carried out detailed review of all pending tax assessments.

Sr. No.	Key Audit Matters	Auditor's Response (Audit Procedures followed)
	Refer Note 10 (a) & 28(a) to the Standalone Financial Statements.	<ul style="list-style-type: none"> Obtained details of completed tax assessments and demands from the management for the year ended 31st March 2022. We involved our internal experts to verify the management's underlying assumptions in estimating the tax provisions and the possible outcomes of disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these tax matters & legal position.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance, Business Responsibility report and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of the reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope

of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on matters specified in paragraphs 3 and 4 of the order.
- 2) As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls refer to our separate report in "**Annexure B**"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16)

of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 28(a) to the standalone financial statements;
 - (ii) The Company has made provision, as required under the applicable law or Indian accounting standard, for material foreseeable losses, if any on long-term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are

material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (iv) (a) and (b) above, contain any material misstatement.
- (v) The dividend declared or paid by the Company during the year is in compliance with Section 123 of the Act, as applicable.

For Manubhai & Shah LLP
Chartered Accountants
 FRN: 106041W / W100136

For Kirtane & Pandit LLP
Chartered Accountants
 FRN: 105215W / W100057

Darshan Shah
Partner
 Membership No: 131508

Sandeep Welling
Partner
 Membership No.044576

Place: Mumbai
 Date: 26th May 2022
 UDIN: 22131508AJQGQW1318

Place: Mumbai
 Date: 26th May 2022
 UDIN: 22044576AJQIUM1522

ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- (i) (a) i. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets;
- ii. The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The Company has a program of verification to cover all items of property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. Pursuant to the programme, a portion of the property, plant and equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds comprising all the immovable properties of land and building which are freehold are held in the name of the Company as at the balance sheet date. In respect of immovable properties that have been taken on lease and disclosed as Property, Plant & Equipment in the standalone financial statements are in the name of the Company, where the Company is the lessee in the agreement.
- (d) The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at the date of our report for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company the Management has conducted physical verification of the inventories at reasonable intervals. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed during such verifications.
- (b) The Company has been sanctioned working capital limits in excess of ₹ Five crores in aggregate from banks on the basis of security of the current assets. Quarterly returns or statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- (iii) The Company has not given any guarantee or security in respect of loans taken by any party. The investments made in units of mutual funds and unsecured loans granted to employees during the year, in respect of which:
- (a) The Company has provided unsecured loans to employees during the year which is as follows:

(₹ In Lakhs)

Particulars	Aggregate amount during the year	Balance outstanding at March 31, 2022
Loans to Employees	29.53	11.45

- (b) In our opinion and according to the information and explanations given to us, the investments made and the terms and conditions of the grant of loans, during the year are, *prima facie*, not prejudicial to the interest of the Company.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments are regular as per the stipulation.

- (d) In respect of loans granted by the Company, there are no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence reporting under clause 3(iii)(f) is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced any loans to the parties covered under section 185 of the Act. The Company has not given any loans and guarantees but has made investments in respect of which provisions of section 186 of the Act have been complied with.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the provisions of section 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed there under to the extent notified.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government of India for the maintenance of cost records under section 148(1) of the Act and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and based on the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Excise Duty, Custom Duty, Goods and Service Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities and there are no arrears of outstanding statutory dues for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us and based on the records of the Company examined by us, the particulars of dues of Income Tax, Service Tax, Sales Tax, Excise Duty, Custom Duty, Value Added Tax, Goods and Service Tax, Cess and other statutory dues as at 31st March 2022 which have not been deposited on accounts of any disputes are as follows:

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Financial Year for which amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	31.40	2001-02	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	4.92	2006-07	High Court
Central Excise Act, 1944	Excise Duty	4.25	2015-16	Dy Commissioner (Audit), Central Excise, Customs & Service Tax
Maharashtra Village Panchayats Act	Grampanchayat Tax	69.93	Various	Grampanchayat Jogeshwari (Aurangabad).

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to the bank, financial institution or government. The Company does not have any debenture holders as the balance sheet date.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) The term loans obtained during the year by the Company have been applied for the purposes for which they were obtained.
- (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us, and the procedures performed by us, Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. Hence the reporting requirements of paragraph 3(ix)(e) of the Order are not applicable.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, and hence the reporting requirements of paragraph 3(ix)(f) of the Order are not applicable.
- (x) (a) In our opinion, and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xi) (a) No material fraud on or by the Company has been noticed or reported during the year nor have we been informed of any such case by the Management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting as per paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company, in determining nature, timing and extent of our audit procedure.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, reporting as per paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence reporting requirement of paragraph 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence reporting requirement of paragraph 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting requirement of paragraph 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Company does not have any CIC, hence reporting requirement of paragraph 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharge by the Company as and when they fall due.
- (xx) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Further the Company has not undertaken any ongoing project as a part of CSR. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order are not applicable for the year.

For Manubhai & Shah LLP
Chartered Accountants
FRN: 106041W / W100136

For Kirtane & Pandit LLP
Chartered Accountants
FRN: 105215W / W100057

Darshan Shah
Partner
Membership No: 131508

Sandeep Welling
Partner
Membership No.044576

Place: Mumbai
Date: 26th May 2022
UDIN: 22131508AJQGQW1318

Place: Mumbai
Date: 26th May 2022
UDIN: 22044576AJQIUM1522

ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in paragraph 2(f) under “Report on Other Legal and Regulatory Requirements” section of our report of even date,

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Garware Hi-Tech Films Limited (formerly known as Garware Polyester Limited)** (“the Company”) as of 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI (the “Guidance Note”) and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Manubhai & Shah LLP
Chartered Accountants
FRN: 106041W / W100136

Darshan Shah
Partner
Membership No: 131508

Place: Mumbai
Date: 26th May 2022
UDIN: 22131508AJQGQW1318

For Kirtane & Pandit LLP
Chartered Accountants
FRN: 105215W / W100057

Sandeep Welling
Partner
Membership No.044576

Place: Mumbai
Date: 26th May 2022
UDIN: 22044576AJQIUM1522

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2022

Particulars	Notes	As at	As at
		March 31, 2022	March 31, 2021
		₹ In Lakhs	₹ In Lakhs
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	2	133,872.77	132,684.16
Capital Work-in-Progress	2 (a)	9,584.96	1,083.15
Intangible Assets	2	168.23	205.45
Intangible Assets Under Development	2 (a)	7.30	15.29
Financial Assets			
Investments	3 (a)	7,576.08	6,886.55
Other Financial Assets	4	232.07	238.42
Other Non - Current Assets	10 (a)	2,237.08	2,321.90
TOTAL NON-CURRENT ASSETS		153,678.49	143,434.92
CURRENT ASSETS			
Inventories	9	15,014.50	9,414.23
Financial Assets			
Investments	3 (b)	19,964.23	15,842.38
Trade Receivables	5	13,243.71	8,753.85
Cash And Cash Equivalents	6 (a)	3,408.64	2,997.92
Bank Balances Other than above	6 (b)	890.72	726.00
Loans	7	12.79	51.86
Other Financial Assets	8	170.11	68.00
Current Tax Assets (Net)	11 (b)	45.04	269.67
Assets Classified as Held for Sale	10 (c)	-	81.06
Other Current Assets	10 (b)	3,981.18	3,432.91
TOTAL CURRENT ASSETS		56,730.92	41,637.88
TOTAL ASSETS		210,409.41	185,072.80
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	12 (a)	2,323.24	2,323.24
Other Equity	12 (b)	166,466.45	152,420.88
TOTAL EQUITY		168,789.69	154,744.12
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	13 (a)	11,701.74	9,661.44
Lease Liabilities	13 (b)	1,316.97	1,519.07
Deferred Tax Liabilities (Net)	11 (a)	3,452.90	1,001.56
Provisions	16	388.76	403.09
TOTAL NON-CURRENT LIABILITIES		16,860.37	12,585.16
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	13 (c)	6,542.95	3,531.45
Lease Liabilities	13 (b)	625.17	560.55
Trade and Other Payables	14		
Total Outstanding dues of Micro Enterprises and Small Enterprises		1,221.41	565.31
Total Outstanding dues of Creditors Other than Micro Enterprises and Small Enterprises		9,656.63	8,055.24
Other Financial Liabilities	15	2,258.59	1,940.98
Other Current Liabilities	18	3,488.71	2,198.08
Provisions	17	965.89	891.91
TOTAL CURRENT LIABILITIES		24,759.35	17,743.52
TOTAL LIABILITIES		41,619.72	30,328.68
TOTAL EQUITY AND LIABILITIES		210,409.41	185,072.80

Notes forming part of the Financial Statements

1 to 36

As per our report of even date

As per our report of even date

For and on behalf of the Board of Directors

For **Manubhai & Shah LLP**
Chartered Accountants
(FRN. 106041W/W100136)

For **Kirtane & Pandit LLP**
Chartered Accountants
(FRN. 105215W/W100057)

S. B. GARWARE
Chairman & Managing Director
DIN : 00943822

H. N. NIKAM
Whole-Time Director
DIN : 07517849

DARSHAN SHAH
Partner
M.No. 131508

SANDEEP WELLING
Partner
M.No.: 044576

T. M. PARIKH
Director
DIN : 00049287

PRADEEP MEHTA
Chief Financial Officer
ICAI M. No. 049220

Mumbai, 26th May, 2022

Mumbai, 26th May, 2022

AWANEESH SRIVASTAVA
Company Secretary (ICSI M. No. FCS8513)

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022

Particulars	Notes	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
INCOME			
Revenue from Operations	19	126,396.53	96,038.64
Other Income	20	3,954.72	1,562.76
Total Income		130,351.25	97,601.40
EXPENSES			
Cost of Materials Consumed	21	56,924.02	34,821.72
Change in Inventories of Finished Goods and Work-in-Progress	22	(3,770.49)	653.64
Employee Benefits Expense	23	10,424.43	9,659.64
Finance Costs	24	1,715.24	1,836.74
Depreciation and Amortisation Expense	25	2,806.92	2,383.54
Other Expenses	26	39,991.88	30,192.82
Total Expenses		108,092.00	79,548.10
Profit before tax		22,259.25	18,053.30
Tax Expenses			
Current Tax	11 (b)	3,826.78	3,112.02
Short / (Excess) Tax of earlier years		(43.89)	-
Deferred Tax	11 (a & b)	2,455.83	3,071.56
Total Tax Expenses		6,238.72	6,183.58
Profit for the Year		16,020.53	11,869.72
Other Comprehensive Income (OCI)			
Items that will not be reclassified to Statement of Profit and Loss			
Gain on Fair Valuation of Equity Instruments		689.52	3,944.57
Remeasurement of Post-Employment Defined Benefit Obligations	29	(301.85)	(161.38)
Income Tax Relating to these items	11 (b)	(39.39)	(416.25)
Other Comprehensive Income for the year, Net of Tax		348.28	3,366.94
Total Comprehensive Income for the year (Net)		16,368.81	15,236.66
Earning Per Share			
Basic and Diluted	27	68.96	51.09
Notes forming part of the Financial Statements	1 to 36		

As per our report of even date

For **Manubhai & Shah LLP**
Chartered Accountants
(FRN. 106041W/W100136)

DARSHAN SHAH
Partner
M.No. 131508

Mumbai, 26th May, 2022

As per our report of even date

For **Kirtane & Pandit LLP**
Chartered Accountants
(FRN. 105215W/W100057)

SANDEEP WELLING
Partner
M.No.: 044576

Mumbai, 26th May, 2022

For and on behalf of the Board of Directors

S. B. GARWARE
Chairman & Managing Director
DIN : 00943822

T. M. PARIKH
Director
DIN : 00049287

AWANEESH SRIVASTAVA
Company Secretary (ICSI M. No. FCS8513)

H. N. NIKAM
Whole-Time Director
DIN : 07517849

PRADEEP MEHTA
Chief Financial Officer
ICAI M. No. 049220

STATEMENT OF CHANGES IN EQUITY

EQUITY SHARE CAPITAL

	March 31, 2022 ₹ In Lakhs	March 31, 2021 ₹ In Lakhs
Balance at the beginning of the year	2,323.24	2,323.24
Changes in Equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	2,323.24	2,323.24
Changes in Equity share capital during the year	-	-
Balance at the end of the year	2,323.24	2,323.24

OTHER EQUITY

	Capital Redemption Reserve	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	FVTOCI - Equity Instruments	Total (₹ In Lakhs)
As at March 31, 2021	5,446.00	592.14	76,389.38	6,909.91	56,849.51	6,233.94	152,420.88
Profit For The Year	-	-	-	-	16,020.53	-	16,020.53
Other Comprehensive Income :							
a) Remeasurement of Post Employment Benefit Obligations (Net of Tax)	-	-	-	-	(260.92)	-	(260.92)
b) Changes In Fair Value of Equity Instruments Through OCI (Net of Tax)	-	-	-	-	-	609.20	609.20
Reductions During The Year:							
Dividend Paid FY 20-21	-	-	-	-	(2,323.24)	-	(2,323.24)
As at March 31, 2022	5,446.00	592.14	76,389.38	6,909.91	70,285.88	6,843.14	166,466.45

	Capital Redemption Reserve	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	FVTOCI - Equity Instruments	Total (₹ In Lakhs)
As at March 31, 2020	5,446.00	592.14	76,389.38	6,909.91	45,084.78	2,762.01	137,184.22
Profit For The Year	-	-	-	-	11,869.72	-	11,869.72
Other Comprehensive Income :							
a) Remeasurement of Post Employment Benefit Obligations (Net of Tax)	-	-	-	-	(104.99)	-	(104.99)
b) Changes In Fair Value of Equity Instruments Through OCI (Net of Tax)	-	-	-	-	-	3,471.93	3,471.93
As at March 31, 2021	5,446.00	592.14	76,389.38	6,909.91	56,849.51	6,233.94	152,420.88

As per our report of even date

For **Manubhai & Shah LLP**
Chartered Accountants
(FRN. 106041W/W100136)

DARSHAN SHAH
Partner
M.No. 131508

Mumbai, 26th May, 2022

As per our report of even date

For **Kirtane & Pandit LLP**
Chartered Accountants
(FRN. 105215W/W100057)

SANDEEP WELLING
Partner
M.No.: 044576

Mumbai, 26th May, 2022

For and on behalf of the Board of Directors

S. B. GARWARE
Chairman & Managing Director
DIN : 00943822

T. M. PARIKH
Director
DIN : 00049287

AWANEESH SRIVASTAVA
Company Secretary (ICSI M. No. FCS8513)

H. N. NIKAM
Whole-Time Director
DIN : 07517849

PRADEEP MEHTA
Chief Financial Officer
ICAI M. No. 049220

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Particulars	Year ended March 31, 2022 ₹ In Lakhs	Year ended March 31, 2021 ₹ In Lakhs
A. Cash Flow from Operating Activities		
Profit Before Tax	22,259.25	18,053.30
Adjustments for:		
Depreciation and Amortisation Expense	2,806.92	2,383.54
Finance Cost	1,715.24	1,836.74
Provision for Doubtful Deposits	18.36	-
Interest Income	(46.05)	(68.35)
Unrealised Exchange (Gain) / Loss	(104.20)	(16.93)
(Profit) / Loss on Sale / Disposal / Write Off of Property, Plant and Equipment	(1,485.00)	75.68
Profit on Sale of Investment / Net Gain on Financial Assets Measured at FVTPL	(350.57)	(218.17)
Dividend Income	(6.56)	(0.48)
Sundry Credit Balances & Provisions no Longer Required, Written Back	(27.08)	(114.55)
Net Gain on Financial Assets	(484.00)	(457.46)
	<u>2,037.06</u>	<u>3,420.02</u>
Operating Profit / (Loss) before Working Capital Changes	24,296.31	21,473.32
Changes in Assets and Liabilities :		
(Increase) / Decrease in Operating Assets:		
Inventories	(5,600.27)	(38.91)
Trade Receivables	(4,401.99)	(2,469.82)
Loans	39.07	(31.78)
Other Financial Assets	(76.89)	199.06
Other Assets	(471.89)	(1,530.69)
Increase / (Decrease) in Operating Liabilities:		
Trade Payables	2,273.82	2,118.31
Other Financial Liabilities	317.61	397.77
Other Liabilities	1,315.58	830.94
Provisions	(242.20)	59.98
	<u>(6,847.16)</u>	<u>(465.14)</u>
Cash Generated from Operations	17,449.15	21,008.18
Direct Taxes Paid	(3,602.15)	(3,116.05)
Net Cash Flow from Operating Activities (A)	13,847.00	17,892.13
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment & Intangible Assets	(12,613.75)	(6,372.40)
Proceeds from Sale of Property, Plant and Equipment	1,750.60	331.00
Interest Income	46.05	68.96
Dividend on Investment	6.56	0.48
Net (Investment)/ Redemption of Mutual Funds	(3,315.57)	(6,599.60)
Net Cash Flow Used in Investing Activities (B)	(14,126.11)	(12,571.56)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
	₹ In Lakhs	₹ In Lakhs
C. Cash Flow from Financing Activities		
Finance Cost	(1,715.24)	(1,938.65)
Proceeds from Long Term Borrowings	8,578.68	4,181.55
(Repayments) of Long Term Borrowings	(3,526.87)	(4,639.61)
Proceeds from Finance Lease	570.99	449.99
(Repayment) of Lease Liability	(729.77)	(957.03)
Increase/ (Decrease) in Current Borrowings	-	(545.37)
Dividend Paid / Deposited	(2,323.24)	-
Movement in Margin Money Deposit	(135.38)	(32.87)
Movement in Unclaimed Dividend Account	(29.34)	24.61
Net Cash Flow from / (used in) Financing Activities (C)	689.83	(3,457.38)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	410.72	1,863.19
Cash and Cash Equivalents (Opening Balance)	2,997.92	1,134.73
Cash and Cash Equivalents (Closing Balance)	3,408.64	2,997.92

Cash and Cash Equivalents at the end of the year include:

	As at	As at
	March 31, 2022	March 31, 2021
	₹ In Lakhs	₹ In Lakhs
(a) Cash on Hand	17.28	27.77
(b) Balances with Banks in Current and Deposit Accounts	3,391.36	2,970.15
Cash and Cash Equivalents (Refer Note 6 (a))	3,408.64	2,997.92
Cash and Cash Equivalents at the end of the year	3,408.64	2,997.92

Particulars	As at March 31, 2021 ₹ In Lakhs	Cash flow	Non Cash Change			As at March 31, 2022 ₹ In Lakhs
			Fair value Changes	Foreign Exchange Movement / Other	Recognition of Lease Liability	
Borrowings- Non Current	11,180.51	1,826.28	(9.37)	-	21.29	13,018.71
Borrowings- Current	4,092.00	3,076.12	-	-	-	7,168.12

As per our report of even date

For **Manubhai & Shah LLP**
Chartered Accountants
(FRN. 106041W/W100136)

DARSHAN SHAH
Partner
M.No. 131508

Mumbai, 26th May, 2022

As per our report of even date

For **Kirtane & Pandit LLP**
Chartered Accountants
(FRN. 105215W/W100057)

SANDEEP WELLING
Partner
M.No.: 044576

Mumbai, 26th May, 2022

For and on behalf of the Board of Directors

S. B. GARWARE
Chairman & Managing Director
DIN : 00943822

T. M. PARIKH
Director
DIN : 00049287

AWANEESH SRIVASTAVA

Company Secretary (ICSI M. No. FCS8513)

H. N. NIKAM
Whole-Time Director
DIN : 07517849

PRADEEP MEHTA
Chief Financial Officer
ICAI M. No. 049220

COMPANY INFORMATION:

Garware Hi-Tech Films Limited (formerly known as 'Garware Polyester Limited' ('the Company')) is engaged in the business of manufacturing of polyester films. The Company Limited by shares, incorporated and domicile in India and equity shares of the Company are listed on the Indian stock exchanges BSE (Bombay Stock Exchange) and NSE (National Stock Exchange). The registered office of the Company is located at Naigaon, Post Waluj, Aurangabad 431 133 and Corporate office is located at 50-A Swami Nityanand Marg, Vile Parle (East) Mumbai 400 057.

The financial statements have been authorised for issue by the Board of Directors at their meeting held on May 26, 2022.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS:

A: Significant Accounting Policies:

(a) Basis of Preparation

(i) Compliance with Ind AS

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

Company's financial statements are presented in Indian Rupees, which is also its functional currency.

These financial statements have been prepared and presented under the historical cost convention, on accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

(ii) Classification of Assets and Liabilities

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non - current classification of assets and liabilities.

(b) Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of Property, Plant and Equipment, borrowing cost (if capitalisation criteria are met) and any attributable costs of bringing the asset to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the Property, Plant and Equipment can be measured reliably. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on the straight-line method arrived on the basis of the useful life provided as per the Schedule II of the Companies Act, 2013.

The Property, Plant and Equipment capitalised under leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The asset's residual values, depreciation method and useful lives are reviewed and adjusted if appropriate, at the end of the reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses respectively.

Capital work - in - progress

Capital work-in-progress assets in the course of installation for production or / and supply of goods or services or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. At the point when an asset is operating at management's intended use, the cost of construction / installation is transferred to the appropriate category of Property, Plant and Equipment. Costs associated with the commissioning of an asset are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed.

(c) Intangible assets

Intangible assets are stated at acquisition cost net of tax / duty credits availed, if any, and net of accumulated amortisation. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the profit or Loss. Intangible assets are amortised on the straight line method as follows:

Asset	Useful life
Software	5 Years

Intangible asset under development:

Intangible asset under development pertaining to upgradation of IT software are carried at cost, less any recognised impairment loss. At the point when an asset is operating at management’s intended use, the cost is transferred to the appropriate category of Intangible assets. Costs associated with the commissioning of an asset are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed.

(d) Impairment of assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset’s net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

After impairment, depreciation / amortization is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortization if there was no impairment.

(e) Non Current Assets Held for Sale

Non-Current Assets are classified as Held for Sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets Held for Sale are not depreciated or amortized.

(f) Revenue from Contracts with Customers

A. Revenue from Sale of Products

Revenue from sale of products (including scrap sales) are recognised when control of products is transferred to the buyer as per the terms of the contract and are accounted for net of returns and rebates. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods. Sales, as disclosed, are exclusive of goods and services tax.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes).

The Company provides retrospective rebates to certain customers based on achievement of targeted volumes and other measures. To estimate the variable consideration for the expected future rebates, the Company applies the expected value method.

The Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. Thus there is no significant financing component.

B. Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Export Benefits

Export entitlements under the Duty Draw Back Scheme / Other Schemes are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Others

Dividend income is recognised when the right to receive payment is established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion using effective interest method.

(g) Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating revenue.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

(h) Inventories

- (1) Raw Materials and Packing Materials are valued at the lower of cost and net realizable value. Cost is determined on a moving weighted average basis. Cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties & taxes, which are subsequently recoverable from the taxing authorities.
- (2) Stores and Spares are valued at cost computed on a moving weighted average basis. Cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes that are subsequently recoverable from the taxing authorities.
- (3) Semi-finished goods including those held for captive consumption is valued at factory cost including depreciation.
- (4) Finished goods are valued at the lower of cost and net realizable value. Cost includes direct material & labour cost and a proportion of manufacturing overheads.
- (5) Purchases of finished goods are valued at the lower of cost and net realizable value.

(i) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

(1) Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(2) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss statement.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely for payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments as follows:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Equity instruments

The Company subsequently measures equity investment at fair value. The Company's Management elects to present fair value gains and losses on equity investments in other comprehensive income or profit and loss account on an instrument by instrument basis.

(3) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer Note 32 (A) for details of credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(4) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

B. Financial Liability

(1) Initial recognition and measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

(2) Measurement:

All financial liabilities of the Company are subsequently measured at amortised cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortised cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognised as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

(3) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the Statement of Profit and Loss.

(j) Derivative financial instruments

Derivative financial instruments such as forward contracts to hedge foreign currency risk are initially recognised at fair value and subsequently remeasured at their fair value with changes in fair value recognised in the Statement of Profit & Loss in the period when they arise.

(k) Foreign currency translation

(1) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupees which is the Company's functional and presentation currency.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit and loss and are presented in the Statement of Profit or Loss on a net basis. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange gains and losses on foreign currency borrowings is accounted by addition or deduction to the cost of asset so far it relates to capital asset to the extent that they are regarded as an adjustment to interest cost and in other cases by charging it to the statement of profit and loss as a gain or loss on account of exchange differences under the head finance costs.

(l) Leases

The Company's lease asset primarily consists of leases for buildings, and for vehicles. The Company, at the inception of the contract, assesses whether a contract contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability at the lease commencement date. The right-of-use assets initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are subsequently depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets is evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using Company's incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it exercises an extension or a termination option.

The Company treated the leases with remaining lease term for less than 12 months as if they were "short term lease".

Lease liability and ROU asset have been separately presented in the Balance Sheet, and lease payments have been classified as financing cash flows.

(m) Cash and cash equivalents

Cash and cash Equivalents for the purpose of cash flows statement comprise cash at bank, cash in hand, demand deposits with banks and other deposits with an original maturity of three months or less.

(n) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

(o) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the year in which they are incurred.

(p) Provisions and Contingent liabilities & Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation (legal or constructive) as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

(q) Investment in subsidiaries

Investments in subsidiaries are recognised at cost as per Ind AS 27.

(r) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-employment benefits

The Company operates the following post-employment schemes:

- (a) Defined benefit plans such as Gratuity and Pension; and
- (b) Defined contribution plans such as Provident Fund.

Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Company. The interest payable by the Trust is notified by the Government. The Company has an obligation to make good the shortfall, if any.

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due for more than 12 months after the end of the reporting period are discounted to present value.

(s) Earnings per share

Earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

(t) Income Taxes

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. Current tax is determined as the amount of tax payable in respect of taxable income for the period. The credit is taken as per entitlement for the tax liability provided under MAT based on taxable income as per the provisions of Income Tax Act, 1961.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

(u) Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. The management overview the areas that involve a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based assumptions and estimates on parameters available when the financial statements were prepared. However existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions as and when they occur.

i. Taxes

The Company provides for tax considering the applicable tax regulations and based on reasonable estimates, management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilised.

ii. Defined benefit obligations

The cost of the defined benefit plans and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameters subject to change is the discount rate, escalation rate, expected rate of return and mortality rate. Future salary increases are based on expected future inflation rates.

iii. Recoverability of trade receivables

Required judgements are used in assessing the recoverability of overdue trade receivables and for determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate risk of non-payment.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

2 PROPERTY, PLANT AND EQUIPMENT

Description	Gross Carrying Amount					Depreciation / Amortisation				Net Carrying Amount
	Gross Carrying Amount as at April 1, 2021	Additions / Adjustments during the year	Disposal/ Adjustments during the year	As at March 31, 2022	Up to March 31, 2021	Charge for the year	Disposal / Adjustments during the year	Up to March 31, 2022	As at March 31, 2022	
Property, Plant and Equipment :-										
Land (Freehold)	77,066.97	-	-	77,066.97	-	-	-	-	-	77,066.97
Land (Leasehold)	23,576.85	-	-	23,576.85	-	-	-	-	-	23,576.85
Buildings	6,171.70	472.72	-	6,644.42	1,277.32	323.92	-	1,601.24	5,043.18	
Right to use - Building	2,176.70	-	7.50	2,169.20	820.64	450.08	7.50	1,263.22	905.98	
Plant & Machinery	27,902.38	2,670.03	-	30,572.41	4,538.70	1,467.72	-	6,006.42	24,565.99	
Electrical Installations	359.78	47.29	-	407.07	84.39	43.18	-	127.57	279.50	
Laboratory Equipments	772.18	135.20	-	907.38	220.02	83.61	-	303.63	603.75	
Furniture & Fixtures	212.36	31.79	-	244.15	81.30	22.41	-	103.71	140.44	
Office Equipments	340.50	70.33	-	410.83	190.17	52.25	-	242.42	168.41	
Vehicles *	510.79	4.95	24.87	490.87	226.59	80.05	61.46	245.18	245.69	
Right to use - Vehicles *	958.04	665.00	315.63	1,307.41	129.48	145.82	89.16	186.14	1,121.27	
Capital Expenditure On Research & Development	18.12	0.25	-	18.37	8.78	2.02	-	10.80	7.57	
Data Processing Equipments	511.49	21.98	-	533.47	316.31	69.99	-	386.30	147.17	
TOTAL (A)	1,40,577.86	4,119.54	348.00	1,44,349.40	7,893.70	2,741.05	158.12	10,476.63	1,33,872.77	
Intangible Assets :-										
Software	380.02	28.65	-	408.67	174.57	65.87	-	240.44	168.23	
TOTAL (B)	380.02	28.65	-	408.67	174.57	65.87	-	240.44	168.23	
TOTAL (A + B)	1,40,957.88	4,148.19	348.00	1,44,758.07	8,068.27	2,806.92	158.12	10,717.07	1,34,041.00	
Capital Work in Progress (Refer Note 2 (a))									9,592.26	

i) Refer Note No. 28 (a) (d) for disclosure of contractual commitments for Property, Plant and Equipments.

ii) Refer Note No. 13 for Property pledged as security.

iii) The Company does not hold any benami property under the Benami Transactions (prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

iv) There has been no revaluation of Property Plant and Equipment / Intangible Assets during the year.

v) *Disposal / adjustment during the year ₹ 288.06 lakhs transfer from ROU vehicles to vehicle in gross carrying amount and ₹ 66.93 lakhs towards accumulated depreciation on repayment of vehicle loans.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Description	Gross Carrying Amount				Depreciation / Amortisation				Net Carrying Amount
	Gross Carrying Amount as at April 1, 2020	Additions / Adjustments during the year	Disposals/ Adjustments during the year	As at March 31, 2021	Up to March 31, 2020	Charge for the year	Disposal during the year	Up to March 31, 2021	As at March 31, 2021
Property, Plant and Equipment :-									
Land (Freehold)	77,066.97	-	-	77,066.97	-	-	-	-	77,066.97
Land (Leasehold)	23,576.85	-	-	23,576.85	-	-	-	-	23,576.85
Buildings	5,168.79	1,002.91	-	6,171.70	1,003.67	273.65	-	1,277.32	4,894.38
Right to use - Building	2,179.44	591.82	594.56	2,176.70	961.24	453.96	594.56	820.64	1,356.06
Plant & Machinery #	23,161.00	4,990.21	248.83	27,902.38	3,326.25	1,213.30	0.85	4,538.70	23,363.68
Electrical Installations	297.86	61.92	-	359.78	53.56	30.83	-	84.39	275.39
Laboratory Equipments	629.28	142.90	-	772.18	149.56	70.46	-	220.02	552.16
Furniture & Fixtures	183.86	28.50	-	212.36	60.40	20.90	-	81.30	131.06
Office Equipments	257.04	83.46	-	340.50	144.75	45.42	-	190.17	150.33
Vehicles *	92.91	-	(417.88)	510.79	20.47	77.83	(128.29)	226.59	284.20
Right to use - Vehicles *	1,235.81	611.18	888.95	958.04	408.34	80.74	359.60	129.48	828.56
Capital Expenditure On Research & Development	15.90	2.22	-	18.12	6.95	1.83	-	8.78	9.34
Data Processing Equipments	331.96	179.53	-	511.49	256.95	59.36	-	316.31	195.18
TOTAL (A)	1,34,197.67	7,694.65	1,314.46	1,40,577.86	6,392.14	2,328.28	826.72	7,893.70	1,32,684.16
Intangible Assets :-									
Software	200.83	179.19	-	380.02	119.31	55.26	-	174.57	205.45
TOTAL (B)	200.83	179.19	-	380.02	119.31	55.26	-	174.57	205.45
TOTAL (A + B)	1,34,398.50	7,873.84	1,314.46	1,40,957.88	6,511.45	2,383.54	826.72	8,068.27	1,32,889.61
Capital Work in Progress (Refer Note 2 (a))									1,098.44

- i) *Disposal / adjustment during the year ₹ 888.95 lakhs transfer from ROU vehicles to vehicle in gross carrying amount and ₹ 359.60 lakhs towards accumulated depreciation on repayment of vehicle loans.
- ii) The Company does not hold any benami property under the Benami Transactions (prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- iii) There has been no revaluation of Property Plant and Equipment / Intangible Assets during the year.
- iv) # Disposal / adjustment during the year ₹ 248.83 Lakhs includes assets classified as held for sale (Refer Note No.10 (c)).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

2. (a) The break up of expenses shown under Capital Work in Progress (CWIP) (pending allocation) as on March 31, 2022 is as under :

Particulars	(₹ In lakhs)	
	2021-22	2020-21
Opening Balance	1098.44	2008.06
Additions during the year	11236.41	5210.34
Less: Capitalised during the year	(3051.83)	(6324.32)
Finance Charges	309.24	204.36
Closing Balance*	9592.26	1098.44

[* Includes Intangible Assets under development ₹ 7.30 Lakhs (March 31, 2021 : ₹ 15.29 Lakhs)]

CWIP Ageing Schedule

Particulars	Amount in CWIP as on 31.03.2022 for period of						Amount in CWIP as on 31.03.2021 for period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Ongoing Projects	8,855.89	96.59	-	-	8,952.48	409.51	58.31	-	21.35	489.17
Project Stock	629.66	2.82	-	-	632.48	381.26	70.61	23.38	118.73	593.98
Projects in Progress	9,485.55	99.41	-	-	9,584.96	790.77	128.92	23.38	140.08	1,083.15
Projects Suspended	-	-	-	-	-	-	-	-	-	-
TOTAL	9,485.55	99.41	-	-	9,584.96	790.77	128.92	23.38	140.08	1,083.15

Intangible Assets

Particulars	Amount in CWIP as on 31.03.2022 for period of				Amount in CWIP as on 31.03.2021 for period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Ongoing Projects	7.30	-	-	-	7.30	15.29	-	-	-	15.29
Project Stock	-	-	-	-	-	-	-	-	-	-
Projects in Progress	7.30	-	-	-	7.30	15.29	-	-	-	15.29
Projects Suspended	-	-	-	-	-	-	-	-	-	-
TOTAL	7.30	-	-	-	7.30	15.29	-	-	-	15.29

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

(For Capital-Work-in Progress, whose completion is overdue or has exceeded its cost compared to its original plan.)

(₹ In Lakhs)

Particulars	As on 31.03.2022 to be completed in				As on 31.03.2021 to be completed in				Total	
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Less than 1 Year	1-2 Years	2-3 Years		More than 3 Years
Lamination Project	7,265.65	-	-	-	7,265.65	-	-	-	-	-
Upgradation & Modification Projects	1,065.19	-	-	-	1,065.19	148.61	-	-	-	148.61
Metaliser Project	-	-	-	-	-	125.95	-	-	-	125.95
TOTAL	8,330.84	-	-	-	8,330.84	274.56	-	-	-	274.56

(₹ In Lakhs)

Particulars	As on 31.03.2022 to be completed in				As on 31.03.2021 to be completed in				Total	
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Less than 1 Year	1-2 Years	2-3 Years		More than 3 Years
IT Upgradation Project	7.30	-	-	-	7.30	-	-	-	-	-
TOTAL	7.30	-	-	-	7.30	-	-	-	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

3. (a) NON - CURRENT INVESTMENTS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Investment at Fair Value Through Other Comprehensive Income (FVTOCI) in Quoted Equity Instruments		
262,543 (March 31, 2021 - 262,543) Equity shares of Garware Technical Fibres Limited, of the face value of ₹ 10/- each, fully paid-up.	7,434.43	6,744.90
Investment in Equity Instruments of Subsidiary - At Cost Fully Paid		
2,50,000 (March 31, 2021 - 2,50,000) Ordinary Shares of Garware Hi-Tech Films International Limited, London, of the face value of Pound 1/- each, fully paid-up.	133.57	133.57
Investment at Fair Value Through Profit and Loss (FVTPL) in Unquoted Equity Instruments		
500 (March 31, 2021 - 500) Equity Shares of The Co-Operative Stores Ltd. (New Delhi), of the face value of ₹ 10/- each, fully paid up	0.05	0.05
10,000 (March 31, 2021 - 10,000) Equity Shares of S I C O M Ltd., of the face value of ₹ 10/- each fully paid-up	8.00	8.00
100 (March 31, 2021 - 100) Equity Shares of Cosmos Co-Operative Bank Ltd., of the face value of ₹ 10/- each fully paid up	0.02	0.02
25 (March 31, 2021 - 25) Equity Shares of Shamrao Vithhal Co-Operative Bank Ltd, of the face value of ₹ 25/- each fully paid up	0.01	0.01
TOTAL	7,576.08	6,886.55
Aggregate Amount of Quoted Investments	7,434.43	6,744.90
Aggregate Amount of Unquoted Investments	141.65	141.65
Aggregate Cost of Total Investments	179.07	179.07

- i) Investment in Subsidiary of ₹ 133.57 Lakhs (March 31, 2021: ₹ 133.57 Lakhs) has been accounted for as per Ind AS 27
ii) The Company has not Traded or Invested in any Crypto Currency or Virtual Currency during the current year and previous year.

3. (b) CURRENT INVESTMENTS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Investment at Fair Value Through Profit and Loss (FVTPL) in Quoted Mutual Funds		
3,17,49,882 Units in HDFC Arbitrage Fund (Previous year 5,20,32,685 Units)	5,106.33	8,029.16
1,10,302 Units in HDFC Overnight Mutual Fund (Previous year 139,789 Units)	3,482.73	4,274.85
78,48,470 Units in HDFC Corporate Bond Fund (Previous year NIL)	2,051.05	-
2,99,11,756 Units in Tata Arbitrage Fund (Previous year NIL)	3,585.07	-
1,48,88,628 Units in Axis Corporate Debt Fund (Previous year NIL)	2,048.15	-
1,13,38,844 Units in Kotak Equity Arbitrage Fund (Previous year NIL)	3,590.90	-
8,14,451 Units in HDFC Ultra Short Term Fund (Previous year NIL)	100.00	-
0 Units in HDFC Low Duration Fund (Previous year 74,37,463 Units)	-	3,538.37
TOTAL	19,964.23	15,842.38
Aggregate Cost of Quoted Investments	19,478.32	15,588.59
Aggregate Fair Value of Quoted Investments (NAV)	19,964.23	15,842.38

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

4. OTHER FINANCIAL ASSETS - NON - CURRENT

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Security Deposits (Considered Good, Unsecured)	232.07	238.42
TOTAL	232.07	238.42

i) Security deposit includes rental deposits of ₹ 64.50 Lakhs given to Directors / Relatives of Directors (March 31, 2021 - ₹ 64.50 Lakhs) and ₹ 43.50 Lakhs given to Companies in which Directors are a Director / Member (March 31, 2021 - ₹ 43.50 Lakhs).

5. TRADE RECEIVABLES

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Trade Receivable Considered Good, Unsecured	2,644.85	3,452.09
Trade Receivable - Credit Impaired	20.86	20.86
Less: Allowance For Doubtful Debts	(20.86)	(20.86)
Trade Receivable due From Subsidiary Companies	10,598.86	5,301.76
TOTAL	13,243.71	8,753.85

Trade Receivable - Ageing schedule from due date of payment

Particulars	March 31, 2022						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered Good	11,033.60	2,210.11	-	-	-	-	13,243.71
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	20.86	20.86
Less : Allowance for doubtful debts	-	-	-	-	-	(20.86)	(20.86)
TOTAL	11,033.60	2,210.11	-	-	-	-	13,243.71

Particulars	March 31, 2021						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered Good	8,258.55	474.35	20.95	-	-	-	8,753.85
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	20.86	20.86
Less : Allowance for doubtful debts	-	-	-	-	-	(20.86)	(20.86)
TOTAL	8,258.55	474.35	20.95	-	-	-	8,753.85

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

6. (a) CASH AND CASH EQUIVALENTS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Balances with Banks		
In Current Accounts	3,391.36	2,917.78
In Deposit Accounts	-	52.37
Cash on Hand	17.78	27.77
TOTAL	3,408.64	2,997.92

6. (b) OTHER BANK BALANCES

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
In Earmarked Accounts		
Unclaimed Dividend Accounts	122.74	93.40
Margin Money Deposit	767.98	632.60
TOTAL	890.72	726.00

7. LOANS - CURRENT

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Loans and Advances to Employees - Considered Good, Unsecured	12.79	51.86
TOTAL	12.79	51.86

- i) No funds has been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity including foreign entity (Intermediaries) with the understanding whether recorded in writing or otherwise that the Intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

8. OTHER FINANCIAL ASSETS - CURRENT

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Derivative Financial Instrument.	51.14	32.77
Other Receivables	118.97	35.23
TOTAL	170.11	68.00

- i) Other receivables includes insurance claim and discount receivable from vendors.

9. INVENTORIES

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Stores, Spares and Packing Materials	2,973.18	2,515.42
Raw Materials	4,272.17	2,900.15
Finished Goods	2,958.24	128.34
Semi Finished Goods	4,810.91	3,870.32
TOTAL	15,014.50	9,414.23

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

10. (a) OTHER NON CURRENT ASSETS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Capital Advances		
Considered Good, Secured	636.77	-
Considered Good, Unsecured	1,431.60	1,142.60
	2,068.37	1,142.60
Advances other than Capital Advances		
Balances with Government Authorities. (Includes ₹ 164.64 Lakhs towards CST Receivable (Previous year ₹ 1,178.30 Lakhs))	168.71	1,179.30
TOTAL	2,237.08	2,321.90

10. (b) OTHER CURRENT ASSETS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Prepaid Expenses	302.13	262.98
Balances with Government Authorities	3,080.68	2,344.97
Advances Paid to Suppliers/ Vendors (Net of Provision)	598.37	824.96
TOTAL	3,981.18	3,432.91

10. (c) ASSETS CLASSIFIED AS HELD FOR SALE

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Plant and Equipment *	-	81.06
TOTAL	-	81.06

- i) *During the previous year the Company intended to dispose off certain used / old plant and equipment situated at Waluj plant, as it no longer intended to use in the next 12 months. The fair value less cost to sell was higher than the carrying amount.

11. (a) DEFERRED TAX ASSETS

The Balance of Deferred Tax Comprises Temporary Differences Attributable to:

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Deferred Tax Assets		
Expenses Allowed on Payment Basis	328.07	305.49
Minimum Alternate Tax Credit Entitlement	-	3,158.22
IND AS 116- Right to use Assets	33.22	43.37
Remeasurements of Post Defined Benefit Obligations	165.52	124.59
Others	9.87	10.32
TOTAL (A)	536.68	3,641.99
Deferred Tax Liabilities		
Excess of Written Down Value as per Books and as per Income Tax Act, 1961	3,313.46	4,081.34
Deferred Tax on Fair Value changes	676.12	562.21
TOTAL (B)	3,989.58	4,643.55
Deferred Tax Assets / (Liabilities) (Net) (A-B)	(3,452.90)	(1,001.56)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

Changes in Deferred Tax Assets/ (Liabilities) in Statement of Profit and Loss [(charged) / credited during the year]

	Year Ended March 31, 2022 ₹ In Lakhs	Year Ended March 31, 2021 ₹ In Lakhs
Expenses Allowed on Payment Basis	22.58	(29.58)
Others	(0.45)	2.12
Minimum Alternate Tax Credit Entitlement	(3,158.22)	(2,540.48)
IND AS 116- Right to use Assets	(10.15)	14.93
Excess of Written Down Value as per Books and as per Income Tax Act, 1961	767.89	(526.14)
Remeasurements of Post Defined Benefit Obligations	40.93	56.39
Deferred Tax on Fair Value changes	(113.91)	(485.46)
Deferred Tax on Loan Processing Charges	-	20.41
TOTAL	(2,451.33)	(3,487.81)

11. (b) INCOME TAXES

The Major Components of Income Tax Expense for the year ended are :
Statement of Profit and Loss

	Year Ended March 31, 2022 ₹ In Lakhs	Year Ended March 31, 2021 ₹ In Lakhs
Current Income Tax		
Current Tax on Profit for the current year	3,826.78	3,112.02
Short (Excess) Tax of earlier years	(43.89)	-
Deferred Tax		
Deferred Tax	(746.28)	531.08
MAT Credit Entitlement	3,202.11	2,540.48
Income Tax Expense Reported in the Statement of Profit or Loss	6,238.72	6,183.58

Other Comprehensive Income Section

	Year Ended March 31, 2022 ₹ In Lakhs	Year Ended March 31, 2021 ₹ In Lakhs
Deferred Tax Relating to Remeasurements of Post Employment Benefit Obligations and Gain on Fair Valuation of Equity Instruments	39.39	416.25
Income Tax Charged to OCI	39.39	416.25

Movement in Income Tax (Assets) / Liabilities (Net)

	2021-22	2020-21
Opening Balance [Payable/ (Receivable)]	(269.67)	(265.64)
Add : Current Tax Payable for the year	3,826.78	3,112.02
Less : Taxes Paid	(3,602.15)	(3,116.05)
Closing Balance [Payable/ (Receivable)]	(45.04)	(269.67)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

Reconciliation of Tax Expense and Accounting Profit for the year:

	Year Ended March 31, 2022 ₹ In Lakhs	Year Ended March 31, 2021 ₹ In Lakhs
Accounting Profit Before Tax	22,259.25	18,053.30
Tax at Statutory Income Tax Rate of @ 34.944%	7,778.27	6,308.55
Tax Effect of Amounts Which are Not Deductible (Taxable) in Calculating Taxable Income		
- Donations	170.19	106.78
- Research and Development Expenditure	-	(0.78)
- Short Excess Income Tax of earlier years	(43.89)	-
- Other items	(398.77)	(230.97)
- Reduction in Deferred Tax on Account of Change in Tax Rate from 34.944% to 25.168%	(1,192.68)	-
- Long Term Capital Gain Taxable at Special Rate	(74.40)	-
Income-Tax Expense	6,238.72	6,183.58

12. (a) EQUITY SHARE CAPITAL

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Authorised Equity Share Capital:		
40,000,000 (March 31, 2021: 40,000,000) Equity Shares of ₹ 10/- each	4,000	4,000
6,000,000 (March 31, 2021: 6,000,000) Preference Shares of ₹ 100/- each	6,000	6,000
Total	10,000	10,000
Issued, Subscribed and Paid Up :		
23,232,394 (March 31, 2021: 23,232,394) Equity Shares of ₹ 10/- each	2,323.24	2,323.24
TOTAL	2,323.24	2,323.24

(i) Reconciliation of Number of Equity Shares

	Year Ended March 31, 2022 ₹ In Lakhs	Year Ended March 31, 2021 ₹ In Lakhs
Shares Outstanding at the Beginning of the year	2,32,32,394	2,32,32,394
Add: Issued during the year	-	-
Outstanding at the end of the year	2,32,32,394	2,32,32,394

(ii) Terms/ Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10/-. Each shareholder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders. The Company declares and pays Dividend in Indian rupees.

Final Dividend of ₹10/- per Equity Share for the Financial year ended 31st March 2022 proposed by board of directors in its meeting held on May 26, 2022 (₹10/- per Equity Share for FY 2020-21) is in compliance with Section 123 of the Companies Act 2013 and is subject to approval of shareholders in the ensuing Annual General Meeting and if approved, would result in Cash outflow of ₹ 2,323.24 Lakhs.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

(iii) Details of Equity Shares held by Shareholders holding more than 5% of the aggregate Shares in the Company

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	% holding	No. of shares	% holding	No. of shares
S. B. Garware Family Trust	38.17%	88,68,372	38.17%	88,68,372
B. D. Garware Research Centre Private Limited (Formerly known as B.D Garware Research Center)	5.35%	12,42,216	5.35%	12,42,216
Shri S. B. Garware	5.01%	11,63,001	5.01%	11,63,001
Minal Bharat Patel *	-	-	6.48%	15,06,405

* Holding < 5% as at March 31, 2022.

(iv) Details of Shares held by Promoters

Sr. No.	Promoter Name	As at 31.03.2022		As at 31.03.2021		% change during F.Y. 2021-22
		No of shares	% of total shares	No of shares	% of total shares	
1	S. B. Garware Family Trust	88,68,372	38.17%	88,68,372	38.17%	-
2	B. D. Garware Research Centre Private Limited (Formerly known as B.D Garware Research Center)	12,42,216	5.35%	12,42,216	5.35%	-
3	Shri S. B. Garware	11,63,001	5.01%	11,63,001	5.01%	-
4	Monika Garware Benefit Trust	5,73,917	2.47%	5,73,917	2.47%	-
5	Sarita Garware Benefit Trust	5,73,917	2.47%	5,73,917	2.47%	-
6	Great View Real Estates Private Limited	4,69,175	2.02%	4,69,175	2.02%	-
7	Ms. Sonia Garware	2,68,595	1.16%	2,68,595	1.16%	-
8	Mrs. Sarita Garware Ramsay	2,67,810	1.15%	2,67,810	1.15%	-
9	Ms. Monika Garware	2,67,504	1.15%	2,67,504	1.15%	-
10	Garware Industries Private Limited	2,35,000	1.01%	2,35,000	1.01%	-
11	Mrs. Sheela S. Garware	1,75,465	0.76%	1,75,465	0.76%	-
12	Sonia Garware Benefit Trust	1,000	0.00%	1,000	0.00%	-

12. (b) OTHER EQUITY

(₹ In Lakhs)

	Capital redemption reserve	Securities premium	Capital reserve	General reserve	Retained earnings	FVTOCI - Equity Instruments	Total
As at March 31, 2021	5,446.00	592.14	76,389.38	6,909.91	56,849.51	6,233.94	1,52,420.88
Profit for the year	-	-	-	-	16,020.53	-	16,020.53
Other Comprehensive Income							
a) Remeasurement of Post Employment Benefit Obligations (Net of Tax)	-	-	-	-	(260.92)	-	(260.92)
b) Changes in Fair Value of Equity Instruments through OCI (Net of Tax)	-	-	-	-	-	609.20	609.20
Reductions during the year:							
Dividends Paid FY 20-21	-	-	-	-	(2,323.24)	-	(2,323.24)
As at March 31, 2022	5,446.00	592.14	76,389.38	6,909.91	70,285.88	6,843.14	1,66,466.45

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

(₹ In Lakhs)

	Capital redemption reserve	Securities premium	Capital reserve	General reserve	Retained earnings	FVTOCI - Equity Instruments	Total
As at March 31, 2020	5,446.00	592.14	76,389.38	6,909.91	45,084.78	2,762.01	1,37,184.22
Profit for the year	-	-	-	-	11,869.72	-	11,869.72
Other Comprehensive Income							
a) Remeasurement of Post Employment Benefit Obligations (Net of Tax)	-	-	-	-	(104.99)	-	(104.99)
b) Changes in Fair Value of Equity Instruments through OCI (Net of Tax)	-	-	-	-	-	3,471.93	3,471.93
As at March 31, 2021	5,446.00	592.14	76,389.38	6,909.91	56,849.51	6,233.94	1,52,420.88

Nature and purpose of Other Reserves:

1 Capital Redemption Reserve

Capital redemption reserve is towards the redemption of Preference Shares allotted to Industrial Development Bank of India (IDBI) in FY 2014 - 15.

2 Securities Premium

Securities Premium reserve is towards the Premium on issue of Equity Shares. This reserve is utilised in accordance with the provisions of The Companies Act, 2013.

3 Capital Reserve

Capital Reserve of ₹ 4,439.48 Lakhs was created on demerger of manufacturing business of erstwhile Garware Chemicals Limited (GCL) as per the scheme of arrangement between the Company and GCL under provisions of section 391 - 394 of the Companies Act, 1956 and ₹ 61,842.43 Lakhs (net of Deferred Tax) on account of fair valuation of property, plant and equipment done as at the transition date of Ind AS. Capital Reserve also includes Revaluation Reserve amounting to ₹ 4,584.49 Lakhs pertains to revaluation of land at Mumbai at Vile Parle in 2007 and ₹ 18,755.94 Lakhs revaluation of land situated at Aurangabad and Nashik in FY 2012 - 13 and ₹ (13,235.03) Lakhs pertains to impairment of assets taken over from GCL in FY 2012 - 13 and ₹ 2.07 Lakhs amount paid up on cancellation of 82,756 Shares.

4 Fair Value Through Other Comprehensive Income (FVTOCI) Equity Instruments

The Company has elected to recognise changes in fair value of certain investments in equity instruments through other comprehensive income. These changes are accumulated within the FVTOCI equity instruments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity instruments are derecognised.

13. (a) NON CURRENT BORROWINGS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Secured		
Term Loans		
Indian Rupee Loans From Banks	18,244.69	13,192.89
TOTAL	18,244.69	13,192.89
Less: Current Maturities of Long Term Debt (Included in Note 13 (c))	6,542.95	3,531.45
Non Current Borrowings	11,701.74	9,661.44

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

13. (b) NON CURRENT LEASE LIABILITY

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Non Current Lease Liability		
- From Bank (Secured)	870.31	572.58
- From Others	1,071.83	1,507.04
TOTAL	1,942.14	2,079.62
Less : Current Maturities of Lease Liability		
- From Bank	158.99	104.74
- From Others	466.18	455.81
TOTAL	625.17	560.55
Non Current Lease Liability	1,316.97	1,519.07

13. (c) CURRENT BORROWINGS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Current maturities of Long Term Borrowings	6,542.95	3,531.45
TOTAL	6,542.95	3,531.45

Terms of Repayment for Borrowings

Particulars	Terms of Repayment
Non-Current	
Indian Rupee Loans from Banks	Loan of ₹ 5,069.99 Lakhs is repayable in 24 monthly instalments from April-22 to March-24. Loan of ₹ 6,336.47 lakhs is repayable in 13 quarterly instalments from May-22 to May-25. Loan of ₹ 6,916.28 lakhs is payable in 42 instalments from April-22 to Sep-25 Rate of interest: 7.85% to 8.50% p.a.
Obligations Under Finance Leases from Bank	Repayable in 50 to 65 monthly instalments from April-22 to August-27 Rate of interest: 7.25% - 9.75% p.a.
Current	
Indian Rupee Loans from Banks	Rate of interest : 7.80 % to 9.25% p.a.
Foreign Currency	Rate of Interest : LIBOR + 1.50 % to LIBOR + 2.00% p.a.

Details of Security for the Non - Current and Current Borrowings:

Particulars	Nature of Security
Non - Current	
Indian Rupee Loans from Banks	First <i>Pari-passu</i> charge on property, plant and equipment (present and future) except Vile Parle, Mumbai property and Nasik Property and second <i>pari-passu</i> charge on current assets.
Obligations Under Finance Leases	Hypothecation of specific assets
Current	
Indian Rupees and Foreign Currency and Working Capital Loans	Hypothecation of all the current assets including inventory, book debts etc. and second charge on property, plant and equipment of the Company excluding Vile Parle, Mumbai property and Nashik property.

- i) The Term Loans have been applied for the purposes of Capacity Expansion and various other capex plans.
- ii) Registration of charges or satisfaction with registrar of Companies have been complied with in the statutory period.
- iii) Quarterly return / statements of current assets filed by the Company with banks are in agreement with the books of accounts.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

- iv) The Company has not been declared as Wilful Defaulter by any bank or financial institution.
- v) No funds have been received by the Company from any person or entity including foreign entity (Funding Parties), with the understanding whether recorded in writing or otherwise that the Company shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi) Funds raised on short term basis are not used for long term purpose.

14. TRADE PAYABLES

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Total Outstanding Dues of Micro Enterprises and Small Enterprises	1,221.41	565.31
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	9,656.63	8,055.24
TOTAL	10,878.04	8,620.55

Details of Dues to Micro and Small Enterprises as Defined under the MSMED Act, 2006

Based on the information and records available with the Company, the disclosures required pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED ACT'). The Disclosure pursuant to the said MSMED Act are as follows:

Sr. No.	Particulars	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
a)	Principal amount due to suppliers registered under MSMED Act and remaining unpaid as at the year end (including capital creditors ₹ 32.04 lakhs)	1,253.45	565.31
b)	Interest due thereon	-	-
c)	Interest paid by the Company in term of section 16	-	-
d)	Interest due and payable for the period of delay in payment	-	-
e)	Interest accrued and remaining unpaid	-	-
f)	Interest remaining due and payable even in succeeding years	-	-

Trade Payable Ageing Schedule from due date of payment

Sr. No.	Particulars	As at March 31, 2022						Total
		Not Due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	1,077.89	-	143.51	-	-	-	1,221.41
(ii)	Others	6,869.11	1,069.55	1,636.08	53.35	6.93	21.61	9,656.63
(iii)	Disputed Dues - MSME	-	-	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-	-	-
	Total	7,947.00	1,069.55	1,779.60	53.35	6.93	21.61	10,878.04

Sr. No.	Particulars	As at March 31, 2021						Total
		Not Due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	554.63	-	10.68	-	-	-	565.31
(ii)	Others	5,612.91	600.39	1,775.92	6.68	8.08	13.27	8,017.24
(iii)	Disputed Dues - MSME	-	-	-	-	-	-	-
(iv)	Disputed Dues - Others	38.00	-	-	-	-	-	38.00
	Total	6,205.54	600.39	1,786.60	6.68	8.08	13.27	8,620.55

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

15. OTHER FINANCIAL LIABILITIES - CURRENT

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Unclaimed Dividend	122.74	93.40
Creditors for Capital Expenditure	701.94	227.35
Payable for Expenses	676.43	467.98
Payable to Employees	559.60	533.62
Deposit from Customers	197.88	618.63
TOTAL	2,258.59	1,940.98

i) There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

16. NON-CURRENT PROVISIONS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Provision for Employee Benefits (Refer Note 29)		
Provision for Compensated Absences	388.76	403.09
TOTAL	388.76	403.09

17. CURRENT PROVISIONS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Provision for Employee Benefits (Refer Note 29)		
Provision for Gratuity	532.38	388.13
Provision for Compensated Absences.	433.51	503.78
TOTAL	965.89	891.91

18. OTHER CURRENT LIABILITIES

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Statutory Liabilities	380.36	333.66
Advances from Customers	3,108.35	1,864.42
TOTAL	3,488.71	2,198.08

19. REVENUE FROM OPERATIONS

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Sale of products	1,23,637.95	94,266.06
Other Operating Revenue		
Export Incentives	2,389.50	1,513.11
Sale of Scrap and Others	369.08	259.47
TOTAL	1,26,396.53	96,038.64

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

20. OTHER INCOME

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Interest Income:		
- On Bank Deposits	36.68	38.44
- On Income Tax & Sales Tax Refund	8.02	28.17
- Others	1.35	1.74
Dividend from Quoted Equity Investments Measured at Fair Value Through OCI	6.56	0.48
Insurance Claims	77.35	2.46
Profit on Sale of Property, Plant and Equipment	1,485.00	-
Profit on Sale of Investments	350.57	218.17
Excess Provision/ Sundry Credit Balances Written Back	27.08	114.55
Gain on Exchange Rate Fluctuations	1,496.48	887.70
Net Gain on Financial Assets Measured at FVTPL	455.71	253.79
Unwinding of Security Deposit	9.92	9.72
Government Grant (SICOM Sales Tax Deferral)	-	7.54
TOTAL	3,954.72	1,562.76

i) The Company does not have any transactions not recorded in books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act 1961.

21. COST OF MATERIALS CONSUMED

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Opening Inventory	2,900.15	2,309.71
Add: Purchases	58,387.37	35,432.32
Less: Sales	(91.33)	(20.16)
Less: Closing Inventory	(4,272.17)	(2,900.15)
TOTAL	56,924.02	34,821.72

22. CHANGE IN INVENTORIES OF FINISHED GOODS AND SEMI - FINISHED GOODS

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Closing Inventory		
- Semi - Finished Goods	4,810.91	3,870.32
- Finished Goods	2,958.24	128.34
	7,769.15	3,998.66
Less: Opening Inventory		
- Semi - Finished Goods	3,870.32	3,753.29
- Finished Goods	128.34	899.01
	3,998.66	4,652.30
Net Change in Inventory	(3,770.49)	653.64

23 EMPLOYEE BENEFITS EXPENSE

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Salaries, Wages and Bonus	8,840.78	8,173.07
Contributions to Provident Fund and Other Funds	912.95	839.54
Staff Welfare Expenses	670.70	647.03
TOTAL	10,424.43	9,659.64

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

24 FINANCE COSTS

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Interest Expense	1,063.39	1,193.42
Interest Expense on Right to Use Assets	165.44	191.22
Other Borrowing Cost	486.41	461.57
Applicable (Gain)/ Loss on Foreign Currency Translation and Transactions	-	(9.47)
TOTAL	1,715.24	1,836.74

i) Finance costs amounting to ₹ 309.24 lakhs (March 31, 2021 : ₹ 204.36 Lakhs) is capitalised in the cost of assets during the current year.

25. DEPRECIATION AND AMORTIZATION EXPENSE

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Depreciation on Property, Plant and Equipment (including IND AS 116 Depreciation)	2,741.05	2,328.28
Amortisation of Intangible Assets	65.87	55.26
TOTAL	2,806.92	2,383.54

26. OTHER EXPENSES

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Stores, Spares & Packing Materials Consumed	7,652.91	5,594.34
Power and Fuel	10,496.52	8,064.06
Processing Charges	5,049.35	4,009.57
Water Charges	122.38	105.91
Rent, Hire Charges and Compensation	18.35	14.22
Rates, Taxes and License Fees	122.76	119.31
Insurance	347.79	319.65
Freight & Forwarding (Net)	7,013.30	4,151.59
Research and Development Expenses	371.74	303.30
Advertisement Expenses	158.15	66.75
Repairs and Maintenance Expenses:		
Plant and Machinery	255.45	206.48
Building	272.64	359.09
Others	1,042.74	851.49
Contract Labour Cost	2,257.04	1,792.14
Security Charges	588.92	419.24
Travelling & Conveyance	293.33	153.28
Postage, Telegrams & Telephones	48.96	51.95
Commission on Sales	525.23	457.41
Contribution Towards Corporate Social Responsibilities (Refer Note 26A)	267.94	238.50
Donation	538.17	356.77
Legal and Professional Charges*	1,169.43	1,372.57
Auditors Remuneration (Refer Note 26B)	54.75	46.90
Directors Sitting Fees	11.68	12.08
Loss on Sale of Property, Plant and Equipment	-	75.68
Miscellaneous Expenses	1,293.99	1,050.54
Provision for Doubtful Advances	18.36	-
TOTAL	39,991.88	30,192.82

i) *Legal and professional charges include ₹ 3.25 lakhs (March 31, 2021: ₹ 6 lakhs) paid to a firm in which one of the partner of the auditor's firm is interested as a partner and NIL (March 31, 2021: ₹ 12.20 lakhs) paid to a firm in which one of the Directors is a proprietor for Corporate Law and Tax Services.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

26. (a) CORPORATE SOCIAL RESPONSIBILITY (CSR)

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Gross Amount required to be Spent by the Company during the year	263.09	178.31
TOTAL	263.09	178.31
Amount spent during the year		
A. Construction / Acquisition of any Asset	-	-
B. On Purposes other than (A) above	267.94	238.50
TOTAL	267.94	238.50
C. Shortfall at the end of the year	-	-
D. Total of previous years shortfall	-	-
E. Reason for Shortfall	NA	NA

F. Nature of CSR Activities

(₹ In Lakhs)

Name of the project	Implementing Agency	Amount Spent	Amount Spent
		2021-22	2020-21
Promoting Health care measures for poor people	Garware Hi-Tech Films Limited	167.94	-
Promote social and economic development in the city by creating an opportunity to nature, support	Garware Charitable Trust	100.00	-
Promoting Education to Women, street children and Others	Garware Charitable Trust	-	110.00
Promoting Health care measures for poor people	Garware Charitable Trust	-	8.50
Promoting basic needs of elderly and deprived section of society	Garware Charitable Trust	-	120.00
TOTAL		267.94	238.50

G. Details of Related party transactions - Refer Note No.30

26. (b) PAYMENT TO AUDITORS

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
As Auditor		
Statutory Audit Fees	26.00	23.00
Tax Audit Fees	6.00	5.50
In Other Capacity		
For Certification/ Others	22.31	17.82
Reimbursement of Out of Pocket Expenses	0.44	0.58
TOTAL	54.75	46.90

27 EARNINGS PER SHARE (EPS)

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Net Profit Attributable to the Equity Shareholders of the Company	16,020.53	11,869.72
Weighted Average Number of Equity Shares	2,32,32,394	2,32,32,394
Basic & Diluted Earnings Per Share (in ₹)	68.96	51.09

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

28. (a) CONTINGENCIES AND COMMITMENTS

a) Contingent Liabilities

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Disputed Matters in Appeal / Contested in Respect of:		
Excise Duty and Service Tax	40.57	40.57
Maharashtra State Electricity Board (MSEB)	27.72	27.72
Grampanchayat Tax	69.93	-
TOTAL	138.22	68.29

b) The Company has given counter-guarantees for ₹ 5,620.22 Lakhs (March 31, 2021: ₹ 4,825 Lakhs) to banks in respect of guarantees given by the banks to third parties for purchase of equipments, supply of goods, clearance of goods from customs, excise bonds, etc.

c) Letters of Credit opened on behalf of the Company by Banks for purchase of materials and equipment amount to ₹ 4,598.15 Lakhs (March 31, 2021: ₹ 2,819.83 Lakhs).

d) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 6,406.68 Lakhs (March 31, 2021: ₹ 8,634.93 Lakhs) against which an advance of ₹ 2,068.37 Lakhs (March 31, 2021: ₹ 1,142.60 Lakhs) has been paid.

28. (b) LEASES

Company as a Lessee:

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Depreciation for Right to Use Asset	595.90	534.70
Interest Expense on Lease Liabilities	165.44	191.22
Expenses Relating to Short Term Leases / Low Value Assets	91.61	96.05
Repayment of Lease Liabilities	729.77	957.03
Additions to Right to Use Assets	665.00	1,203.00
Carrying amount of Right to Use Assets	2,027.25	2,184.62

29. EMPLOYEE BENEFIT OBLIGATIONS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Gratuity (Refer Note C)		
Non-Current	-	-
Current	532.38	388.13

A Defined Contribution Plan

The Company has certain defined contribution plans. Contributions are made to provident fund for employees at the rate as per regulation of basic salary. The contributions are made to registered provident fund administered by the government, however certain employees are covered under the contributory plans with trust "Garware Polyester Limited Office Staff and Officers Provident Fund". The expense recognised during the period towards defined contribution plan is ₹196.53 lakhs (March 31, 2021 - ₹ 144.54 lakhs).

B Compensated absences

The leave obligations is towards encashment of balance leave. The provision reversed during the year is ₹ 84.60 lakhs (March 31, 2021 - provided ₹ 161.42 lakhs).

C Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The gratuity plan is a funded plan.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

I The Amounts Recognised in Balance Sheet and Movements in the Net Benefit Obligation over the year are as follows :

Particulars	Present value of obligation	Fair value of plan assets	Net amount (₹ In Lakhs)
April 1, 2021	3,105.09	(2,716.96)	388.13
Current Service Cost	155.36	-	155.36
Interest Expense / (Income)	193.78	(179.33)	14.45
Total Amount Recognised in Profit or Loss	349.14	(179.33)	169.81
Return on Plan Assets	-	(16.91)	(16.91)
(Gain) / Loss from Experience Changes	366.60	-	366.60
(Gain) / Loss from Change in Financial Assumptions	(47.84)	-	(47.84)
Total Amount Recognised in Other Comprehensive Income	318.76	(16.91)	301.85
Employer Contributions	-	(338.41)	(338.41)
Benefits Paid	(338.22)	338.22	-
Mortality Charges and Taxes	-	11.00	11.00
March 31, 2022	3,434.77	(2,902.39)	532.38

Particulars	Present value of obligation	Fair value of plan assets	Net amount (₹ In Lakhs)
April 1, 2020	2,876.07	(2,606.35)	269.72
Current Service Cost	155.43	-	155.43
Interest Expense / (Income)	180.90	(170.42)	10.48
Total Amount Recognised in Profit or Loss	336.33	(170.42)	165.91
Return on Plan Assets	-	(1.65)	(1.65)
(Gain) / Loss from Experience Changes	(34.41)	-	(34.41)
(Gain) / Loss from Change in Financial Assumptions	197.44	-	197.44
Total Amount Recognised in Other Comprehensive Income	163.03	(1.65)	161.38
Employer Contributions	-	(222.00)	(222.00)
Benefits Paid	(270.34)	270.34	-
Mortality Charges and Taxes	-	13.12	13.12
March 31, 2021	3,105.09	(2,716.96)	388.13

II The Net Liability Disclosed above Relates to Funded Plans are as Follows :

Particulars	March 31, 2022 ₹ In Lakhs	March 31, 2021 ₹ In Lakhs
Present Value of Funded Obligation	3,434.77	3,105.09
Fair Value of Plan Assets	(2,902.39)	(2,716.96)
Deficit	532.38	388.13

III Estimates

The Actuarial Assumptions were as follows :

Particulars	March 31, 2022 ₹ In Lakhs	March 31, 2021 ₹ In Lakhs
Discount Rate	6.90%	6.60%

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

IV Sensitivity of Actuarial Assumptions

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	March 31, 2022 ₹ In Lakhs	March 31, 2021 ₹ In Lakhs
Discount Rate		
1 % Increase	(149.95)	(124.24)
1 % Decrease	165.09	136.31
Future Salary Increase		
1 % Increase	135.45	109.67
1 % Decrease	(125.73)	(102.10)

Projected Benefits Payable from the Fund in Future years from the date of Reporting:

Particulars	March 31, 2022 ₹ In Lakhs	March 31, 2021 ₹ In Lakhs
Less than a year	1,000.85	920.82
Between 1 to 2 years	410.59	375.99
Between 2 to 3 years	390.03	364.18
Between 3 to 4 years	489.47	371.67
Between 4 to 5 years	385.93	762.48
Between 6 to 10 years	1,677.69	1,484.69
Total	4,354.56	4,279.83

i) The Weighted Duration of the Defined Benefit Obligation is 6.51 years (Previous year 5.75 years.)

V The Major Categories of Plan Assets are as follows:

Particulars	March 31, 2022 ₹ In Lakhs	March 31, 2021 ₹ In Lakhs
Funds Managed by Insurer	100%	100%

VI Risk Exposure

- Asset Volatility** : All plan assets are maintained in a trust managed by a public sector insurer viz. LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.
- Discount Rate Risk** : Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.
- Future Salary Increase and Inflation Risk** : Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.
- Asset-Liability Mismatch Risk** : Risk arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

30 RELATED PARTY TRANSACTIONS - AS PER IND AS 24

Name of the Related Parties and Nature of Relationship

a. Subsidiary

Garware Hi-Tech Films International Limited

b. Step Down Subsidiary

Global Hi-Tech Films Inc.

c. Key Management Personnel:

- 1 Shri. S. B. Garware - Chairman and Managing Director
- 2 Ms. Monika Garware - Vice Chairperson & Joint Managing Director
- 3 Mrs. Sarita Garware Ramsay - Joint Managing Director (ceased w.e.f. February 10, 2022)
- 4 Ms. Sonia Garware - Director
- 5 Mr. H.N. Nikam - Whole Time Director (Appointed w.e.f. January 14, 2022)
- 6 Mr. C. J. Pathak - Whole Time Director (ceased w.e.f. January 13, 2022)
- 7 Mr. B. D. Doshi - Director (ceased w.e.f. February 10, 2022)
- 8 Mr. Pradeep Mehta - Chief Financial Officer
- 9 Mr. Awaneesh Srivastava - Company Secretary

d. Non Executive Director :

- 1 Mr. B. Moradian - Non Executive and Independent Director (ceased w.e.f. February 4, 2022)
- 2 Mr. Ramesh P. Makhija - Non Executive and Independent Director
- 3 Mr. M. C. Agarwal - Non Executive and Independent Director
- 4 Mr. T. M. Parikh - Non Executive and Independent Director
- 5 Mr. Nilesh R. Doshi - Non Executive and Independent Director
- 6 Mr. V.H.Kamath - Non Executive and Independent Director
- 7 Ms. Devanshi H. Nanavati - Non Executive and Independent Director

e. Entities in which some of the Directors are Interested

- 1 Garware Industries Private Limited
- 2 Great View Real Estates Private Limited
- 3 Shashvat Investment Consultancy & Properties Private Limited
- 4 Garware Community Centre
- 5 Garware Charitable Trust
- 6 S. B. Garware Family Trust
- 7 Monika Garware Benefit Trust
- 8 Sarita Garware Benefit Trust
- 9 Sonia Garware Benefit Trust

f. Post Employment Benefit Plans

- 1 Garware Polyester Limited Office Staff and Officers Provident Fund

g. Relatives of Key Managerial Personnel

- 1 Mrs. Sunita C. Pathak (up to January 13, 2022)
- 2 Mrs. Priti P. Mehta
- 3 Mrs. Asmita H. Nikam (from January 14, 2022)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

30 TRANSACTIONS WITH RELATED PARTIES

I Key Management Personnel Compensation

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Employee Benefit Expense	2,278.92	1,860.17
Post-Employment Benefits	158.82	139.53
TOTAL	2,437.74	1,999.70

Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

II Transactions with the related parties

Sr. No.	Particulars	Relationship	2021-22 (₹ In Lakhs)	2020-21 (₹ In Lakhs)
a)	Sale of Goods			
	Garware Hi-Tech Films International Limited	Subsidiary	6,715.69	4,973.27
	Global Hi-Tech Films Inc.	Step-down Subsidiary	34,515.31	24,939.61
	Garware Industries Private Limited	Entities in which some of the Directors are interested	50.42	20.41
b)	Purchase of Materials			
	Global Hi-Tech Films Inc.	Step-down Subsidiary	19.47	4.68
	Garware Industries Private Limited	Entities in which some of the Directors are interested	0.22	9.25
c)	Service Received / Processing / Commission / Rent Paid / Reimbursement of Expenses / Donation & CSR expenses			
	Garware Hi-Tech Films International Limited(Commission / Reimb.of Exp.)	Subsidiary	362.33	257.90
	Garware Industries Private Limited (Rent)	Entities in which some of the Directors are interested	216.62	206.30
	Garware Industries Private Limited (Processing Charges)	Entities in which some of the Directors are interested	4,980.31	3,954.32
	Great View Real Estates Private Limited (Rent)	Entities in which some of the Directors are interested	72.00	72.00
	Shashvat Investment Consultancy & Properties Private Limited (Rent)	Entities in which some of the Directors are interested	30.00	30.00
	Ms.Monika Garware (Rent)	Vice Chairperson & Joint Managing Director	72.00	72.00
	Mrs.Sarita Garware Ramsay (Rent)	Joint Managing Director	42.00	42.00
	Ms.Sonia Garware (Rent)	Director	72.00	72.00
	Garware Community Centre (Donation & Expenses)	Entities in which some of the Directors are trustees	8.51	8.60
	Garware Charitable Trust (Donation & CSR)	Entities in which some of the Directors are trustees	630.00	595.27
	Garware Polyester Limited Office Staff and Officers Provident Fund (Employer Contribution)	Post Employment Benefit Plans	196.53	144.54
	T. M. Parikh & Co. (Legal and professional fees)	Director is Proprietor	-	12.20

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Sr. No.	Particulars	Relationship	2021-22	2020-21
			(₹ In Lakhs)	(₹ In Lakhs)
d)	Managerial Remuneration			
	Shri. S.B.Garware	Chairman and Managing Director	880.57	744.42
	Ms.Monika Garware	Vice Chairperson & Joint Managing Director	700.68	523.12
	Mrs.Sarita Garware Ramsay	Joint Managing Director	525.67	477.26
	Mr. C.J. Pathak	Whole Time Director	171.46	116.44
	Mr. H.N. Nikam	Whole Time Director	10.34	-
	Mr. Pradeep Mehta	Chief Financial Officer	75.10	70.19
	Mr. Awaneesh Srivastava	Company Secretary	73.92	68.27
e)	Director Sitting Fees			
	Ms.Sonia Garware	Director	0.60	0.60
	Mr. B. D. Doshi	Director	1.65	1.98
	Mr. B. Moradian	Independent Director	1.55	1.78
	Mr. Ramesh P. Makhija	Independent Director	0.40	0.80
	Mr. M. C. Agarwal	Independent Director	2.28	2.18
	Mr. T. M. Parikh	Independent Director	1.65	1.75
	Mr. Nilesh R. Doshi	Independent Director	1.50	1.00
	Mr.V.H.Kamath	Independent Director	1.05	1.20
	Ms. Devanshi H. Nanavati	Independent Director	1.00	0.80
f)	Car Lease payment			
	Mrs. Sunita C. Pathak (Car Lease Rent)	Relative of Whole Time Director	3.86	5.06
	Mrs. Priti P. Mehta (Car Lease Rent)	Relative of Key Managerial Personnel	3.39	3.78
	Mrs. Asmita Nikam (Care Lease Rent)	Relative of Whole Time Director	0.70	-
g)	Net Balances (Dr/(Cr))			
	Garware Hi-Tech Films International Limited	Subsidiary	397.74	1,234.10
	Global Hi-Tech Films Inc.	Step-down Subsidiary	10,106.05	4,021.92
	Garware Industries Private Limited	Entities in which some of the Directors are interested	(524.30)	(470.56)
	Shashvat Investment Consultancy & Properties Private Limited (Rent deposit)	Entities in which some of the Directors are interested	7.50	7.50
	Great View Real Estates Private Limited (Rent Deposit)	Entities in which some of the Directors are interested	36.00	36.00
	Shri. S.B.Garware (Remuneration Payable)	Chairman and Managing Director	(295.68)	(208.56)
	Ms.Sonia Garware (Rent Deposit)	Director	36.00	36.00
	Ms.Monika Garware (Rent Deposit / Remuneration Payable)	Vice Chairperson & Joint Managing Director	(189.58)	(99.49)
	Mrs.Sarita Garware Ramsay (Rent Deposit / Remuneration Payable)	Joint Managing Director	(133.28)	(96.87)
	Mr. C.J. Pathak	Whole Time Director	-	(6.36)
	Mr. H.N. Nikam	Whole Time Director	(2.47)	-
	Mr. Pradeep Mehta	Chief Financial Officer	(2.73)	(3.51)
	Mr. Awaneesh Srivastava	Company Secretary	(3.51)	(2.68)
	T. M. Parikh & Co. (Legal and professional fees)	Director is Proprietor	-	(3.43)
	Mrs. Sunita C. Pathak	Relative of Whole Time Director	-	(0.40)
	Mrs. Asmita Nikam	Relative of Whole Time Director	(0.26)	-
	Mrs. Priti P. Mehta	Relative of Key Managerial Personnel	(0.26)	(0.27)

i) The above figures are net of Taxes and Duties

ii) There were no Loan and Advances in the nature of loans given / taken from Directors, Key Managerial Persons and Related Parties or any other entity.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

31. FAIR VALUE MEASUREMENTS

Financial Instruments by Category

(₹ In Lakhs)

	March 31, 2022			March 31, 2021		
	Fair Value Through Profit and Loss Account	Fair Value Through Other Comprehensive Income	Amortised Cost	Fair Value Through Profit and Loss Account	Fair Value Through Other Comprehensive Income	Amortised Cost
Financial Assets						
Investments in Quoted Equity Instruments	-	7,434.43	-	-	6,744.90	-
Investment in Equity Instruments of Subsidiary	-	-	133.57	-	-	133.57
Investments in Unquoted Equity Instruments	8.08	-	-	8.08	-	-
Investment in Quoted Mutual Funds	19,964.23	-	-	15,842.38	-	-
Security Deposits	-	-	232.07	-	-	238.42
Trade Receivables	-	-	13,243.71	-	-	8,753.85
Cash and Cash Equivalents	-	-	3,408.64	-	-	2,997.92
Bank Balances other than above	-	-	890.72	-	-	726.00
Loans and Advances to Employees	-	-	12.79	-	-	51.86
Other Receivables	-	-	118.97	-	-	35.23
Derivative Financial Instrument	51.14	-	-	32.77	-	-
Total Financial Assets	20,023.45	7,434.43	18,040.47	15,883.23	6,744.90	12,936.85
Financial Liabilities						
Non Current Borrowings	-	-	11,701.74	-	-	9,661.44
Non Current Lease Liability	-	-	1,316.97	-	-	1,519.07
Current Borrowings	-	-	6,542.95	-	-	3,531.45
Current Portion of Lease Liabilities	-	-	625.17	-	-	560.55
Trade Payables	-	-	10,878.04	-	-	8,620.55
Unclaimed Dividend	-	-	122.74	-	-	93.40
Creditors for Capital Expenditure	-	-	701.94	-	-	227.35
Payable for Expenses	-	-	676.43	-	-	467.98
Payable to Employees	-	-	559.60	-	-	533.62
Deposit from Customers	-	-	197.88	-	-	618.63
Total Financial Liabilities	-	-	33,323.46	-	-	25,834.04

Note: Investment in Subsidiary ₹ 133.57 Lakhs (March 31, 2021: ₹ 133.57 Lakhs) has been accounted for as per Ind AS 27.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

i) Fair Value Hierarchy

The fair values of the financial instruments that are recognised and measured at fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Indian accounting standard.

(₹ in Lakhs)

Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements	Notes	Level 1	Level 2	Level 3	Total
At as March 31, 2022					
Financial Assets					
Derivative Financial Instrument	8	-	51.14	-	51.14
Investment in Quoted Mutual Fund	3 (b)	19,964.23	-	-	19,964.23
Investment in Quoted Equity Instruments	3 (a)	7,434.43	-	-	7,434.43
Investments in Unquoted Equity Instruments	3 (a)	-	8.08	-	8.08

(₹ in Lakhs)

Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements	Notes	Level 1	Level 2	Level 3	Total
At as March 31, 2021					
Financial Assets					
Derivative Financial Instrument	8	-	32.77	-	32.77
Investment in Quoted Mutual Fund	3 (b)	15,842.38	-	-	15,842.38
Investment in Quoted Equity Instruments	3 (a)	6,744.90	-	-	6,744.90
Investments in Unquoted Equity Instruments	3 (a)	-	8.08	-	8.08

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes quoted equity instruments. The fair value of all the equity instruments which are treated in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of derivatives and investment in unquoted equity and unquoted mutual funds instruments is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. The mutual funds are valued using the closing NAV.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Valuation Technique Used to Determine Fair Value

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- The fair value of mutual funds is calculated by valuing them at closing NAV

iii) Fair Value of Financial Assets and Liabilities Measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

32. FINANCIAL RISK MANAGEMENT

The Company's activities exposes it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are taken.

The Company's risk management is carried out by the Company's treasury department under policies approved by the board of directors. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(A) Credit Risk

Credit risk refers to a risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities primarily trade receivables, derivative financial instruments, investment in mutual funds, deposits held with banks, loans and other receivables.

The Company has a policy of only dealing with counterparties that have sufficiently high credit rating. The Company's exposure and credit ratings of its customers are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

For investment in mutual funds, derivative financial instruments and balances held with banks, banks and recognised financial institutions with only high credit rating are accepted.

(i) Trade Receivables

Credit risk arises from the possibility that customer will not be able to settle their obligations as and when agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information. Individual credit limits are set accordingly.

Movement of Provision for Doubtful Debts:

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Provision for Doubtful Debts as on April 1	20.86	20.86
Change during the year	-	-
Provision for Doubtful Debts as on March 31	20.86	20.86

(B) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying business, the Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

(i) Maturities of Financial Liabilities:

Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities for all non - derivative Financial Liabilities are as follows:

Particulars	Carrying amount as at March 31, 2022	(₹ In Lakhs)		
		< 1 year	1 to 3 years	> 3 years
Non Current Borrowings	11,701.74	-	10,550.90	1,150.84
Non Current Lease Liability	1,316.97	-	918.30	398.67
Current Borrowings	6,542.95	6,542.95	-	-
Current Maturities Lease Liability	625.17	625.17	-	-
Trade Payables	10,878.04	10,878.04	-	-
Unclaimed Dividend	122.74	122.74	-	-
Creditors for Capital Expenditure	701.94	701.94	-	-
Payable for Expenses	676.43	676.43	-	-
Payable to Employees	559.60	559.60	-	-
Deposit from Customers	197.88	197.88	-	-
Total	33,323.46	20,304.75	11,469.20	1,549.51

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ In Lakhs)

Particulars	Carrying amount as at March 31, 2021	< 1 year	1 to 3 years	> 3 years
Non Current Borrowings	9,661.44	-	9,087.90	573.54
Non Current Lease Liability	1,519.07	-	1066.84	452.23
Current Borrowings	3,531.45	3,531.45	-	-
Current Maturities Lease Liability	560.55	560.55	-	-
Trade Payables	8,620.55	8,620.55	-	-
Unclaimed Dividend	93.40	93.40	-	-
Creditors for Capital Expenditure	227.35	227.35	-	-
Payable for Expenses	467.98	467.98	-	-
Payable to Employees	533.62	533.62	-	-
Deposit from Customers	618.63	618.63	-	-
Total	25,834.04	14,653.53	10,154.74	1,025.77

(C) Market Risk

1) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company is engaged in international trade and thereby exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (₹). The Company's risk management policy is to hedge sales and purchases. The Company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk.

i) Foreign Currency Risk Exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹ In Lakhs, are as follows :-

	March 31, 2022						March 31, 2021					
	EUR	USD	AUD	AED	JPY	GBP	EUR	USD	AUD	AED	JPY	GBP
Financial Assets												
Trade Receivables	1,093.50	11,166.52	-	-	30.12	135.99	1,525.43	5,868.02	-	-	6.45	338.76
Financial Instruments (Assets) - Foreign Exchange Forward Contracts (Sell Foreign Currency)	(1,620.84)	(10,624.68)	-	-	-	(198.91)	(780.41)	(4,832.81)	-	-	-	-
Net Exposure to Foreign Currency Risk (Assets)	(527.34)	541.84	-	-	30.12	(62.92)	745.02	1,035.21	-	-	6.45	338.76
Financial Liabilities												
Trade Payables	153.97	1,647.19	0.56	4.05	-	102.61	12.18	745.91	0.56	0.00	-	51.36
Packing Credit in Foreign Currency												
Net Exposure to Foreign Currency Risk (Liabilities)	153.97	1,647.19	0.56	4.05	-	102.61	12.18	745.91	0.56	0.00	-	51.36

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

ii) Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments:

(₹ In Lakhs)

	Impact on Profit Before Tax	
	March 31, 2022	March 31, 2021
EUR Sensitivity		
₹/EUR - Increase/ Decrease by 5%	34.07	36.64
USD Sensitivity		
₹/USD - Increase/ Decrease by 5%	55.27	14.47
AUD Sensitivity		
₹/AUD - Increase/ Decrease by 5%	0.03	0.03
AED Sensitivity		
₹/AED - Increase/ Decrease by 5%	0.20	0.00
JPY Sensitivity		
₹/JPY - Increase/ Decrease by 5%	1.51	0.32
GBP Sensitivity		
₹/GBP - Increase/ Decrease by 5%	8.28	14.37

* Holding all other variables constant

II) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on financial liabilities such as borrowings, both non - current and current. The Company has not used any interest rate derivatives. The Company is also exposed to interest rate risk on its financial assets that include fixed deposits and liquid investments such as deposits which are part of cash and cash equivalents. Since all these are generally for short durations, the Company believes it has manageable risk for achieving satisfactory returns.

33. CAPITAL MANAGEMENT

a) Risk Management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholders value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

b) Dividends (including Dividend Distribution Tax)

	March 31, 2022 ₹ In Lakhs	March 31, 2021 ₹ In Lakhs
(i) Equity shares		
(a) Final dividend paid for the year ended March 31, 2021: ₹ 10 (March 31, 2020 of ₹ NIL) per fully paid share.	2,323.24	-
(ii) Dividends not recognised at the end of the reporting period		
The directors have recommended the payment of a final dividend of ₹ 10/- (March 31, 2021 - ₹ 10) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	-
The Dividends declared / paid during the FY 2021-22 (PY 2020-21) are in compliance with Section 123 of the Companies Act, 2013.		

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

34. ANALYTICAL RATIOS

Sr. No.	Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Change
1	Current Ratio	Current Assets	Current Liabilities	2.3	2.3	-
2	Debt Equity Ratio	Long Term Debt (Incl. Lease Liabilities)	Total Equity	0.1	0.1	-
3	Debt Service Coverage Ratio	PAT + Depreciation + Finance Cost	Finance Cost + Loan Repayments	3.4	2.2	59% *
4	Return on Equity Ratio	Net Profit after Taxes	Total Equity	9.5%	7.7%	24%
5	Inventory Turnover Ratio	Net Sales of Products	Average Inventory	10.1	10.0	1%
6	Trade Receivable Turnover Ratio	Net Sales of Products	Average Trade Receivables	11.2	12.6	(11%)
7	Trade Payables Turnover Ratio	Cost of Purchases	Average Trade Payables	9.6	8.7	10%
8	Net Capital Turnover Ratio	Net Sales of Products	Working Capital (Current Assets - Current Liabilities)	3.9	3.9	-
9	Net Profit Ratio	Net Profit	Revenue from Operations	12.7%	12.4%	3%
10	Return on Capital Employed	Earning Before Interest and Taxes	Capital Employed	12.9%	11.9%	9%
11	Return on Investment - Quoted Mutual Fund	Income Generated from Investment in Mutual Fund	Time Weighted Average Cost of Investments	4.0%	3.5%	14%

* Profit growth along with reduction in loan repayments resulted in an improvement in the ratio.

35. RELATIONSHIP WITH STRUCK OFF COMPANIES

(₹ In Lakhs)

Sr. No.	Name of Struck off Company	Nature of Transaction	Relation with Struck off Company	Transaction During FY 21-22 / FY 20-21	Balance Outstanding as on 31.03.2022	Balance Outstanding as on 31.03.2021
1	Koyali Carbotech Private Limited	Security Deposit	Vendor	-	0.10	0.10
2	Other Entities (a)	Subscription to Equity Shares	Equity Shareholder	-	0.11	0.11

(a) Details of other Struck off Companies Holding Shares of the Company as below:

Sr. No.	Name of Struck off Company	No of Shares held as on 31.03.2022 (Paid Up Value ₹ 10 each)	No of Shares held as on 31.03.2021 (Paid Up Value ₹ 10 each)
1	CTM Textiles Private Limited	50	50
2	Agents India Limited	75	75
3	K S M Investments Pvt Ltd	400	400
4	Prananjali Investments and Trading Co Pvt. Ltd.	81	81
5	Shri Brijraj Investments and Estates Private Limited	105	105
6	Idafa Investments Private Limited	50	50
7	Adarsh Textiles Industries Private Limited	340	340

36. PREVIOUS YEAR FIGURES HAVE BEEN RECLASSIFIED/ REGROUPED TO CONFORM TO THE THIS YEAR CLASSIFICATION.

As per our report of even date

For **Manubhai & Shah LLP**
Chartered Accountants
(FRN. 106041W/W100136)

DARSHAN SHAH
Partner
M.No. 131508

Mumbai, 26th May, 2022

As per our report of even date

For **Kirtane & Pandit LLP**
Chartered Accountants
(FRN. 105215W/W100057)

SANDEEP WELLING
Partner
M.No.: 044576

Mumbai, 26th May, 2022

For and on behalf of the Board of Directors

S. B. GARWARE
Chairman & Managing Director
DIN : 00943822

T. M. PARIKH
Director
DIN : 00049287

AWANEESH SRIVASTAVA
Company Secretary (ICSI M. No. FCS8513)

H. N. NIKAM
Whole-Time Director
DIN : 07517849

PRADEEP MEHTA
Chief Financial Officer
ICAI M. No. 049220

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Garware Hi-Tech Films Limited
(formerly known as Garware Polyester Limited)
Report on the Consolidated Financial Statements
Opinion

We have audited the accompanying consolidated financial statements of **Garware Hi-Tech Films Limited (formerly known as Garware Polyester Limited)** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as 'the consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31st March 2022, the consolidated profit and consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditors Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that the matters described below to be the Key Audit Matters to be communicated in the Report:

Sr. No.	Key Audit Matters	Auditor's Response (Audit Procedures followed)
1.	Evaluation of Tax matters The Holding Company has some Direct & Indirect tax matters which involve judgment to determine possible outcome of these tax assessments.	Principal Audit Procedures <ul style="list-style-type: none"> We have carried out detailed review of all pending tax assessments.

Sr. No.	Key Audit Matters	Auditor's Response (Audit Procedures followed)
	Refer Note 10 (a) & 28(a) to the Consolidated Financial Statements.	<ul style="list-style-type: none"> Obtained details of completed tax assessments and demands from the management for the year ended 31st March 2022. We involved our internal experts to verify the management's underlying assumptions in estimating the tax provisions and the possible outcomes of disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these tax matters & legal position.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance, Business Responsibility report and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of the reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements of two subsidiaries incorporated outside India, whose financial statements reflect total assets of ₹ 10,880.85 lakhs as at 31st March 2022, total revenues of ₹ 45,906.24 lakhs and net cash inflows amounting to ₹ 3188.77 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries are based solely on the report of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, CARO 2020 is not applicable to the subsidiaries consolidated in consolidated financial statements.
- 2) As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books;

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the report of the Statutory auditors of its subsidiary companies incorporated outside India, none of the director is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls refer to our separate report in “**Annexure A**”; our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company’s internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Consolidated financial statements disclose the impact of pending litigations as at 31st March, 2022 on the consolidated financial position of the Group – Refer Note 28(a) to the consolidated financial statements;
- (ii) The Group has made provision, as required under the applicable law or Indian accounting standard, for material foreseeable losses, if any on long-term contracts including derivative contracts.
- (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company.
- (iv) (a) The Management of the Holding Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management of the Holding Company has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (iv) (a) and (b) above, contain any material misstatement.
- (v) The dividend declared or paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.

For Manubhai & Shah LLP

Chartered Accountants

FRN: 106041W / W100136

Darshan Shah

Partner

Membership No: 131508

Place: Mumbai

Date: 26th May 2022

UDIN: 22131508AJQGQW1318

For Kirtane & Pandit LLP

Chartered Accountants

FRN: 105215W / W100057

Sandeep Welling

Partner

Membership No.044576

Place: Mumbai

Date: 26th May 2022

UDIN: 22044576AJQIUM1522

ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in paragraph 2(f) under “Report on Other Legal and Regulatory Requirements” section of our report of even date,

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Garware Hi-Tech Films Limited (formerly known as Garware Polyester Limited)** (“the Company”) as of 31st March, 2022 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI (the “Guidance Note”) and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Manubhai & Shah LLP Chartered Accountants

FRN: 106041W / W100136

Darshan Shah Partner

Membership No: 131508

Place: Mumbai

Date: 26th May 2022

UDIN: 22131508AJQQW1318

For Kirtane & Pandit LLP Chartered Accountants

FRN: 105215W / W100057

Sandeep Welling Partner

Membership No.044576

Place: Mumbai

Date: 26th May 2022

UDIN: 22044576AJQIUM1522

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022

Particulars	Notes	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	2	133,895.77	132,714.93
Capital Work-in-Progress	2 (a)	9,584.96	1,083.15
Intangible Assets	2	168.23	205.45
Intangible Assets Under Development	2 (a)	7.30	15.29
Financial Assets			
Investments	3 (a)	7,442.51	6,752.98
Other Financial Assets	4	232.07	238.42
Other Non - Current Assets	10 (a)	2,237.08	2,321.90
TOTAL NON-CURRENT ASSETS		153,567.92	143,332.12
CURRENT ASSETS			
Inventories	9	21,033.33	12,411.35
Financial Assets			
Investments	3 (b)	19,964.23	15,842.38
Trade Receivables	5	3,326.05	4,202.02
Cash And Cash Equivalents	6 (a)	9,930.81	6,252.98
Bank Balances Other than above	6 (b)	890.72	726.00
Loans	7	12.79	51.86
Other Financial Assets	8	170.11	68.00
Current Tax Assets (Net)	11 (b)	45.04	269.67
Assets Classified as Held for Sale	10 (c)	-	81.06
Other Current Assets	10 (b)	4,377.04	3,598.29
TOTAL CURRENT ASSETS		59,750.12	43,503.61
TOTAL ASSETS		213,318.04	186,835.73
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	12 (a)	2,323.24	2,323.24
Other Equity	12 (b)	168,764.61	154,032.20
TOTAL EQUITY		171,087.85	156,355.44
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	13 (a)	11,701.74	9,661.44
Lease Liabilities	13 (b)	1,316.97	1,519.07
Deferred Tax Liabilities (Net)	11 (a)	2,734.13	751.07
Provisions	16	388.76	403.09
TOTAL NON-CURRENT LIABILITIES		16,141.60	12,334.67
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	13 (c)	6,542.95	3,531.45
Lease Liabilities	13 (b)	625.17	560.55
Trade and Other Payables	14		
Total Outstanding dues of Micro Enterprises and Small Enterprises		1,221.41	565.31
Total Outstanding dues of Creditors Other than Micro Enterprises and Small Enterprises		9,768.83	8,083.90
Other Financial Liabilities	15	2,299.75	1,986.46
Other Current Liabilities	18	4,565.11	2,427.81
Provisions	17	965.89	891.91
Current Tax Liabilities (Net)	11 (b)	99.48	98.23
TOTAL CURRENT LIABILITIES		26,088.59	18,145.62
TOTAL LIABILITIES		42,230.19	30,480.29
TOTAL EQUITY AND LIABILITIES		213,318.04	186,835.73
Notes forming part of the Financial Statements	1 to 38		

As per our report of even date

As per our report of even date

For and on behalf of the Board of Directors

For Manubhai & Shah LLP
Chartered Accountants
(FRN. 106041W/W100136)

For Kirtane & Pandit LLP
Chartered Accountants
(FRN. 105215W/W100057)

S. B. GARWARE
Chairman & Managing Director
DIN : 00943822

H. N. NIKAM
Whole-Time Director
DIN : 07517849

DARSHAN SHAH
Partner
M.No. 131508

SANDEEP WELLING
Partner
M.No.: 044576

T. M. PARIKH
Director
DIN : 00049287

PRADEEP MEHTA
Chief Financial Officer
ICAI M. No. 049220

Mumbai, 26th May, 2022

Mumbai, 26th May, 2022

AWANEESH SRIVASTAVA
Company Secretary (ICSI M. No. FCS8513)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022

Particulars	Notes	2021-22	2020-21
		₹ In Lakhs	₹ In Lakhs
INCOME			
Revenue from Operations	19	130,263.39	98,903.00
Other Income	20	3,942.91	1,564.00
Total Income		134,206.30	100,467.00
EXPENSES			
Cost of Materials Consumed	21	59,771.14	36,646.21
Change in Inventories of Finished Goods and Work-in-Progress	22	(6,792.21)	(1,267.69)
Employee Benefits Expense	23	12,285.32	10,759.27
Finance Costs	24	1,824.47	1,959.16
Depreciation and Amortisation Expense	25	2,818.99	2,397.28
Other Expenses	26	41,192.45	30,964.42
Total Expenses		111,100.16	81,458.65
Profit before tax		23,106.14	19,008.35
Tax Expenses			
Current Tax	11 (b)	4,444.46	3,585.85
Short / (Excess) Tax of earlier years		(43.89)	-
Deferred Tax	11 (a&b)	1,987.56	2,827.27
Total Tax Expenses		6,388.13	6,413.12
Profit for the Year		16,718.01	12,595.23
Other Comprehensive Income (OCI)			
Items that will not be reclassified to Statement of Profit and Loss			
Gain on Fair Valuation of Equity Instruments		689.52	3,944.57
Remeasurement of Post-Employment Defined Benefit Obligations	29	(301.85)	(161.38)
Income Tax Relating to these items	11 (b)	(39.39)	(416.25)
Other Comprehensive Income for the year, Net of Tax		348.28	3,366.94
Total Comprehensive Income for the year (Net)		17,066.29	15,962.17
Earnings Per Share			
Basic and Diluted	27	71.96	54.21
Notes forming part of the Financial Statements	1 to 38		

As per our report of even date

For **Manubhai & Shah LLP**
Chartered Accountants
(FRN. 106041W/W100136)

DARSHAN SHAH
Partner
M.No. 131508

Mumbai, 26th May, 2022

As per our report of even date

For **Kirtane & Pandit LLP**
Chartered Accountants
(FRN. 105215W/W100057)

SANDEEP WELLING
Partner
M.No.: 044576

Mumbai, 26th May, 2022

For and on behalf of the Board of Directors

S. B. GARWARE
Chairman & Managing Director
DIN : 00943822

T. M. PARIKH
Director
DIN : 00049287

AWANEESH SRIVASTAVA
Company Secretary (ICSI M. No. FCS8513)

H. N. NIKAM
Whole-Time Director
DIN : 07517849

PRADEEP MEHTA
Chief Financial Officer
ICAI M. No. 049220

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31st MARCH, 2022

EQUITY SHARE CAPITAL

	March 31, 2022 ₹ In Lakhs	March 31, 2021 ₹ In Lakhs
Balance at the beginning of the year	2,323.24	2,323.24
Changes in Equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	2,323.24	2,323.24
Changes in Equity share capital during the year	-	-
Balance at the end of the year	2,323.24	2,323.24

OTHER EQUITY

	Capital Redemption Reserve	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve (OCI)	FVTOCI - Equity Instruments	Total ₹ In Lakhs
As at March 31, 2021	5,446.00	592.14	76,389.38	6,909.91	58,311.80	149.03	6,233.94	154,032.20
Profit For The Year	-	-	-	-	16,718.01	-	-	16,718.01
Other Comprehensive Income :								
a) Remeasurement of Post Employment Benefit Obligations (Net of Tax)	-	-	-	-	(260.92)	-	-	(260.92)
b) Changes in Fair Value of Equity Instruments Through OCI (Net of Tax)	-	-	-	-	-	-	609.20	609.20
c) Currency Translation Adjustments Relating to Subsidiaries	-	-	-	-	-	(10.64)	-	(10.64)
Reductions During the Year:								
Dividends Paid	-	-	-	-	(2,323.24)	-	-	(2,323.24)
As at March 31, 2022	5,446.00	592.14	76,389.38	6,909.91	72,445.65	138.39	6,843.14	168,764.61

	Capital Redemption Reserve	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve (OCI)	FVTOCI - Equity Instruments	Total ₹ In Lakhs
As at March 31, 2020	5,446.00	592.14	76,389.38	6,909.91	45,821.56	128.21	2,762.01	138,049.21
Profit For The Year	-	-	-	-	12,595.23	-	-	12,595.23
Other Comprehensive Income :								
a) Remeasurement of Post Employment Benefit Obligations (Net of Tax)	-	-	-	-	(104.99)	-	-	(104.99)
b) Changes in Fair Value of Equity Instruments Through OCI (Net of Tax)	-	-	-	-	-	-	3,471.93	3,471.93
c) Currency Translation Adjustments Relating to Subsidiaries	-	-	-	-	-	20.82	-	20.82
As at March 31, 2021	5,446.00	592.14	76,389.38	6,909.91	58,311.80	149.03	6,233.94	154,032.20

As per our report of even date

For Manubhai & Shah LLP
Chartered Accountants
(FRN. 106041W/100136)

DARSHAN SHAH
Partner
M.No.: 131508

Mumbai, 26th May, 2022

As per our report of even date

For Kirtane & Pandit LLP
Chartered Accountants
(FRN. 105215W/100057)

SANDEEP WELLING
Partner
M.No.: 044576

Mumbai, 26th May, 2022

For and on behalf of the Board of Directors

S. B. GARWARE
Chairman & Managing Director
DIN : 00943822

T. M. PARIKH
Director
DIN : 00049287

AWANEESH SRIVASTAVA
Company Secretary (ICSI/M. No. FCS8513)

H. N. NIKAM
Whole-Time Director
DIN : 07517849

PRADEEP MEHTA
Chief Financial Officer
ICAI M. No. 049220

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

Particulars	Year ended March 31, 2022 ₹ In Lakhs	Year ended March 31, 2021 ₹ In Lakhs
A. Cash Flow from Operating Activities		
Profit Before Tax	23,106.14	19,008.35
Adjustments for:		
Depreciation and Amortisation Expense	2,818.99	2,397.28
Finance Cost	1,824.47	1,959.16
Unrealised Exchange (Gain) / Loss	(104.20)	(16.93)
Provision for Doubtful Deposits	18.36	-
Interest income	(48.74)	(69.59)
(Profit) / Loss on Sale / Disposal / Write Off of Property, Plant and Equipment	(1,485.00)	80.16
Profit on Sale of Investment / Net Gain on Financial Assets Measured at FVTPL	(350.57)	(218.17)
Dividend Income	(6.56)	(0.48)
Sundry Credit Balances & Provisions no Longer Required, Written Back	(27.08)	(114.55)
Net Gain on Financial Assets	(484.00)	(457.46)
	<u>2,155.67</u>	<u>3,559.42</u>
Operating Profit / (Loss) before Working Capital Changes	25,261.81	22,567.77
Transfer to Foreign Currency Translation Reserve	(10.64)	20.82
Changes in Assets and Liabilities:		
(Increase) / Decrease in Operating Assets:		
Inventories	(8,621.98)	(1,960.22)
Trade Receivables	963.84	1,151.36
Loans	39.07	(31.78)
Other Financial Assets	(76.89)	199.06
Other Assets	(702.37)	(1,618.56)
Increase / (Decrease) in Operating Liabilities:		
Trade Payables	2,357.36	2,143.72
Other Financial Liabilities	313.29	325.59
Other Liabilities	2,162.25	896.16
Provisions	(242.20)	59.98
	<u>(3,818.27)</u>	<u>1,186.13</u>
Cash Generated from Operations	21,443.54	23,753.90
Direct Taxes Paid	(4,218.58)	(3,826.09)
Net Cash Flow from Operating Activities (A)	17,224.96	19,927.81
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment & Intangible Assets	(12,618.06)	(6,380.81)
Proceeds from Sale of Property, Plant and Equipment	1,750.60	331.00
Interest Income	48.74	70.20
Dividend on Investment	6.56	0.48
Net (Investment) / Redemption of Mutual Funds	(3,315.57)	(6,599.60)
Net Cash Flow Used in Investing Activities (B)	(14,127.73)	(12,578.73)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022 (Contd...)

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
	₹ In Lakhs	₹ In Lakhs
C. Cash Flow From Financing Activities		
Finance Cost	(1,824.47)	(2,061.07)
Proceeds from Long Term Borrowings	8,578.68	4,181.55
(Repayments) of Long Term Borrowings	(3,526.87)	(4,639.61)
Proceeds from Finance Lease	570.99	449.99
(Repayment) of Lease Liability	(729.77)	(957.03)
Increase/ (Decrease) in Current Borrowings	-	(545.37)
Dividend Paid / Deposited	(2,323.24)	-
Movement in Margin Money Deposit	(135.38)	(32.87)
Movement in Unclaimed Dividend Account	(29.34)	24.61
Net Cash Flow from / (used in) Financing Activities (C)	580.60	(3,579.80)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	3,677.83	3,769.28
Cash and Cash Equivalents (Opening Balance)	6,252.98	2,483.70
Cash and Cash Equivalents (Closing Balance)	9,930.81	6,252.98

Cash and Cash Equivalents at the end of the year include:	As at	As at
	March 31, 2022	March 31, 2021
	₹ In Lakhs	₹ In Lakhs
(a) Cash on Hand	17.28	27.77
(b) Balances with Banks in Current and Deposit Accounts	9,913.53	6,225.21
Cash and Cash Equivalents (Refer Note 6 (a))	9,930.81	6,252.98
Cash and Cash Equivalents at the end of the year	9,930.81	6,252.98

Particulars	As at March 31, 2021	Cashflow	Non Cash Change			As at March 31, 2022
			Fair value Changes	Foreign Exchange Movement / Others	Recognition of Lease Liability	
Borrowings- Non Current	11,180.51	1,826.28	(9.37)	-	21.29	13,018.71
Borrowings- Current	4,092.00	3,076.12	-	-	-	7,168.12

As per our report of even date

For **Manubhai & Shah LLP**
Chartered Accountants
(FRN. 106041W/W100136)

DARSHAN SHAH
Partner
M.No. 131508

Mumbai, 26th May, 2022

As per our report of even date

For **Kirtane & Pandit LLP**
Chartered Accountants
(FRN. 105215W/W100057)

SANDEEP WELLING
Partner
M.No.: 044576

Mumbai, 26th May, 2022

For and on behalf of the Board of Directors

S. B. GARWARE
Chairman & Managing Director
DIN : 00943822

T. M. PARIKH
Director
DIN : 00049287

AWANEESH SRIVASTAVA
Company Secretary (ICSI M. No. FCS8513)

H. N. NIKAM
Whole-Time Director
DIN : 07517849

PRADEEP MEHTA
Chief Financial Officer
ICAI M. No. 049220

GROUP INFORMATION:

Garware Hi-Tech Films Limited (formerly known as ‘Garware Polyester Limited’ (‘the Company/Parent’) and its subsidiaries (together referred to as ‘the Group’) is engaged in the business of manufacturing / Trading of polyester films. The Company is limited by shares, incorporated and domiciled in India and equity shares of the Company are listed on the Indian stock exchange BSE (Bombay Stock Exchange) and NSE (National Stock Exchange). The registered office of the Company is located at Naigaon, Post Waluj, Aurangabad 431 133 and Corporate office is located at 50-A Swami Nityanand Marg, Vile Parle (East) Mumbai 400 057.

The consolidated financial statements of the Group have been authorised for issue by the Company’s Board of Directors at their meeting held on May 26, 2022.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS:

A: Significant Accounting Policies:

(a) Basis of Preparation

(i) Compliance with Ind AS

These consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

Group’s financial statements are presented in Indian Rupees, which is the functional currency of the Company.

These consolidated financial statements have been prepared and presented under the historical cost convention, on accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these consolidated financial statements.

(ii) Classification of Assets and Liabilities

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non - current classification of assets and liabilities.

(b) Principles of Consolidation

The consolidated financial statements have been prepared in accordance with Ind AS 110 Consolidated Financial Statements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. InterCompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Subsidiary Companies considered in the presentation of consolidated financial statements are as follows:

Name of the Company	Country of Incorporation	Percentage of Voting Power	Financial Year
Subsidiary Garware Hi-Tech Films International Ltd	United Kingdom	100%	2021-22
Step down Subsidiary Global Hi-Tech Films Inc	U.S.A.	100%	2021-22

(c) Segment Reporting

The Group’s Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) as defined in Ind AS 108 Operating Segments. The CODM is the Company’s board of directors. The board of directors assesses the financial performance and position of the Group and makes strategic decisions. Refer note 31 for segment information presented.

(d) Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of Property, Plant and Equipment, borrowing cost (if capitalisation criteria are met) and any attributable costs of bringing the asset to its working condition for its intended use.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the Property, Plant and Equipment can be measured reliably. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as

a separate items (major components) of property, plant and equipment. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation, Estimated Useful Lives and Residual value

Depreciation on property, plant and equipment is provided on the straight-line method arrived on the basis of the useful life provided as per the Schedule II of the Companies Act, 2013.

The Property, Plant and Equipment capitalised under leases is depreciated over the asset’s useful life or over the shorter of the asset’s useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

The asset’s residual values, depreciation method and useful lives are reviewed and adjusted if appropriate, at the end of the reporting period.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/ other expenses respectively.

Capital Work - In – Progress

Capital work-in-progress assets in the course of installation for production or/ and supply of goods or services or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. At the point when an asset is operating at management’s intended use, the cost of construction/ installation is transferred to the appropriate category of Property, Plant and Equipment. Costs associated with the commissioning of an asset are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed.

(e) Intangible Assets

Intangible assets are stated at acquisition cost net of tax/ duty credits availed, if any, and net of accumulated amortisation. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the profit or loss. Intangible assets are amortized on the straight line method as follows:

Asset	Useful life
Software	5 Years

Intangible asset under development:

Intangible asset under development pertaining to upgradation of IT software are carried at cost, less any recognised impairment loss. At the point when an asset is operating at management’s intended use, the cost is transferred to the appropriate category of Intangible assets. Costs associated with the commissioning of an asset are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed.

(f) Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset’s net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

After impairment, depreciation / amortization is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortization if there was no impairment.

(g) Non Current Assets Held for Sale

Non-Current Assets are classified as Held for Sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets Held for Sale are not depreciated or amortized.

(h) Revenue recognition

A. Revenue from Sale of Products

Revenue from sale of products (including scrap sales) are recognised when control of products is transferred to the buyer as per the terms of the contract and are accounted for net of returns and rebates. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods. Sales, as disclosed, are exclusive of goods and services tax.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes).

The Group provides retrospective rebates to certain customers based on achievement of targeted volumes and other measures. To estimate the variable consideration for the expected future rebates, the Group applies the expected value method.

The Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. Thus there is no significant financing component.

B. Contract Balances

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Export Benefits

Export entitlements under the Duty Draw Back Scheme / Other Schemes are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Others

Revenue from services is recognized on rendering of services.

Dividend income is recognised when the right to receive payment is established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a time proportion using effective interest method.

(i) Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating revenue.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

(j) Inventories

- (1) Raw Materials and Packing Materials are valued at the lower of cost and net realizable value. Cost is determined on a moving weighted average basis. Cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties & taxes, which are subsequently recoverable from the taxing authorities.
- (2) Stores and Spares are valued at cost computed on a moving weighted average basis. Cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes that are subsequently recoverable from the taxing authorities.
- (3) Semi-finished goods including those held for captive consumption is valued at factory cost including depreciation.
- (4) Finished goods are valued at the lower of cost and net realizable value. Cost includes direct material & labour cost and a proportion of manufacturing overheads.
- (5) Purchases of finished goods are valued at the lower of cost and net realizable value.

(k) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets

(1) Classification

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(2) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss statement.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely for payment of principal and interest.

Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments as follows:

- **Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Equity Instruments

The Group subsequently measures equity investment at fair value. The Group's Management elects to present fair value gains and losses on equity investments in other comprehensive income or profit and loss account on an instrument by instrument basis.

(3) Impairment of Financial Assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer Note 34 (A) for details of credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(4) Derecognition of Financial Assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the Financial Asset.

B. Financial Liability

(1) Initial Recognition and Measurement:

The Group recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

(2) Measurement:

All financial liabilities of the Group are subsequently measured at amortised cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortised cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognised as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

(3) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the Statement of Profit and Loss.

(l) Derivative Financial Instruments

Derivative financial instruments such as forward contracts to hedge foreign currency risk are initially recognised at fair value and subsequently remeasured at their fair value with changes in fair value recognised in the Statement of Profit & Loss in the period when they arise.

(m) Foreign currency translation

(1) Functional and Presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupees, which is the Company's functional and presentation currency.

(2) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit and loss and are presented in the Statement of Profit or Loss on a net basis. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange gains and losses on foreign currency borrowings is accounted by addition or deduction to the cost of asset so far it relates to capital asset to the extent that they are regarded as an adjustment to interest cost and in other cases by charging it to the Statement of Profit and Loss as a gain or loss on account of exchange differences under the head finance costs.

(3) Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction

- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income (On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss)

(n) Leases

The Group lease asset primarily consists of leases for buildings, and for vehicles. The Group, at the inception of the contract, assesses whether a contract contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

The Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability at the lease commencement date. The right-of-use assets initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are subsequently depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets is evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using respective Company's incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the respective Company changes its assessment of whether it exercises an extension or a termination option.

The Group treated the leases with remaining lease term for less than 12 months as if they were "short term lease".

Lease liability and ROU asset have been separately presented in the Balance Sheet, and lease payments have been classified as financing cash flows.

(o) Cash and Cash Equivalents

Cash and cash Equivalents for the purpose of cash flows statement comprise cash at bank, cash in hand, demand deposits with banks and other deposits with an original maturity of three months or less.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

(q) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the year in which they are incurred.

(r) Provisions and Contingent Liabilities & Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation (legal or constructive) as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

(s) Employee Benefits

(i) Short-term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term Employee Benefit Obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-Employment Benefits

The Group operates the following post-employment schemes:

- (a) Defined benefit plans such as Gratuity and Pension; and
- (b) Defined contribution plans such as Provident Fund.

Define Benefit Plans

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Group. The interest payable by the Trust is notified by the Government. The Group has an obligation to make good the shortfall, if any.

Termination Benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due for more than 12 months after the end of the reporting period are discounted to present value.

(t) Earnings Per Share

Earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

(u) Income Taxes

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. Current tax is determined as the amount of tax payable in respect of taxable income for the period. The credit is taken as per entitlement for the tax liability provided under MAT based on taxable income as per the provisions of Income Tax Act, 1961.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

(v) Significant accounting Judgements, Estimates and Assumptions

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. The management overview the areas that involve a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group has based assumptions and estimates on parameters available when the consolidated financial statements were prepared. However existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions as and when they occur.

i. Taxes

The Group provides for tax considering the applicable tax regulations and based on reasonable estimates, management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Group against which such assets can be utilised.

ii. Defined Benefit Obligations

The cost of the defined benefit plans and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameters subject to change is the discount rate, escalation rate, expected rate of return and mortality rate. Future salary increases are based on expected future inflation rates.

iii. Recoverability of Trade Receivables

Required judgements are used in assessing the recoverability of overdue trade receivables and for determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate risk of non-payment.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

2 PROPERTY, PLANT AND EQUIPMENT

Description	Gross Carrying Amount			Depreciation / Amortisation				Net Carrying Amount	
	Gross Carrying Amount as at April 1, 2021	Additions / Adjustments during the year	Disposal/ Adjustments during the year	As at March 31, 2022	Up to March 31, 2021	Charge for the year	Disposal during the year	Up to March 31, 2022	As at March 31, 2022
Property, Plant and Equipment :-									
Land (Freehold)	77,066.97	-	-	77,066.97	-	-	-	-	77,066.97
Land (Leasehold)	23,580.99	-	-	23,580.99	-	-	-	-	23,580.99
Buildings	6,165.91	472.72	-	6,638.63	1,277.32	323.92	-	1,601.24	5,037.39
Right to use - Building	2,176.70	-	7.50	2,169.20	820.64	450.08	7.50	1,263.22	905.98
Plant & Machinery	27,902.78	2,670.03	-	30,572.81	4,538.74	1,467.72	-	6,006.46	24,566.35
Electrical Installations	359.78	47.29	-	407.07	84.39	43.18	-	127.57	279.50
Laboratory Equipments	772.19	135.20	-	907.39	220.02	83.61	-	303.63	603.76
Furniture & Fixtures	358.91	31.79	-	390.70	194.57	30.78	-	225.35	165.35
Office Equipments	334.86	73.83	-	408.69	184.00	54.97	-	238.97	169.72
Vehicles*	510.78	4.95	24.87	490.86	226.60	80.05	61.46	245.19	245.67
Right to use - Vehicles*	958.03	665.00	315.63	1,307.40	129.47	145.82	89.16	186.13	1,121.27
Capital Expenditure On Research & Development	18.12	0.25	-	18.37	8.78	2.02	-	10.80	7.57
Data Processing Equipments	511.67	22.78	-	534.45	318.23	70.97	-	389.20	145.25
TOTAL (A)	140,717.69	4,123.84	348.00	144,493.53	8,002.76	2,753.12	158.12	10,597.76	133,895.77
Intangible Assets :-									
Software	380.02	28.65	-	408.67	174.57	65.87	-	240.44	168.23
TOTAL (B)	380.02	28.65	-	408.67	174.57	65.87	-	240.44	168.23
TOTAL (A + B)	141,097.71	4,152.49	348.00	144,902.20	8,177.33	2,818.99	158.12	10,838.20	134,064.00
Capital Work in Progress (Refer Note 2 (a))									9,592.26

i) Refer Note No. 28 (a) (d) for disclosure of contractual commitments for Property, Plant and Equipments.

ii) Refer Note No. 13 for Property pledged as security.

iii) The Holding Company does not hold any benami property under the Benami Transactions (prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

iv) There has been no revaluation of Property Plant and Equipment / Intangible Assets during the year.

v) *Disposal / adjustment during the year ₹288.06 lakhs transfer from ROU vehicles to vehicle in gross carrying amount and ₹66.93 lakhs towards accumulated depreciation on repayment of vehicle loans.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Description	Gross Carrying Amount			Depreciation / Amortisation			Net Carrying Amount		
	Gross Carrying Amount as at April 1, 2020	Additions / Adjustments during the year	Disposal/ Adjustments during the year	As at March 31, 2021	Up to March 31, 2020	Charge for the year		Disposal during the year	Up to March 31, 2021
Property, Plant and Equipment :-									
Land (Freehold)	77,066.97	-	-	77,066.97	-	-	-	77,066.97	
Land (Leasehold)	23,580.99	-	-	23,580.99	-	-	-	23,580.99	
Buildings	5,163.00	1,002.91	-	6,165.91	1,003.67	273.65	-	4,888.59	
Right to use - Building	2,179.44	591.82	594.56	2,176.70	961.24	453.96	594.56	1,356.06	
Plant & Machinery *	23,161.40	4,990.21	248.83	27,902.78	3,326.26	1,213.30	0.82	23,364.04	
Electrical Installations	297.86	61.92	-	359.78	53.56	30.83	-	275.39	
Laboratory Equipments	629.29	142.90	-	772.19	149.56	70.46	-	552.17	
Furniture & Fixtures	364.22	35.49	40.80	358.91	200.51	32.44	38.38	164.34	
Office Equipments	261.51	84.84	11.49	334.86	146.41	47.09	9.50	150.86	
Vehicles *	92.90	-	(417.88)	510.78	20.48	77.83	(128.29)	284.18	
Right to use - Vehicles *	1,235.80	611.18	888.95	958.03	408.33	80.74	359.60	828.56	
Capital Expenditure On Research & Development	15.90	2.22	-	18.12	6.95	1.83	-	9.34	
Data Processing Equipments	332.14	179.53	-	511.67	258.34	59.89	-	193.44	
TOTAL (A)	134,381.42	7,703.02	1,366.75	140,717.69	6,535.31	2,342.02	874.57	132,714.93	
Intangible Assets :-									
Software	200.83	179.19	-	380.02	119.31	55.26	-	205.45	
TOTAL (B)	200.83	179.19	-	380.02	119.31	55.26	-	205.45	
TOTAL (A + B)	134,582.25	7,882.21	1,366.75	141,097.71	6,654.62	2,397.28	874.57	132,920.38	
Capital Work in Progress (Refer Note 2 (a))								1,098.44	

- i) *Disposal / adjustment during the year ₹888.95 lakhs transfer from ROU vehicles to vehicle in gross carrying amount and ₹359.60 lakhs towards accumulated depreciation on repayment of vehicle loans.
- ii) The Holding Company does not hold any benami property under the Benami Transactions (prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- iii) There has been no revaluation of Property Plant and Equipment / Intangible Assets during the year.
- iv) *Disposal / adjustment during the year ₹248.83 Lakhs includes assets classified as held for sale (Refer Note No.10 (c)).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

2 (a) The break up of expenses shown under Capital Work in Progress (CWIP) (pending allocation) as on March 31, 2022 is as under :

Particulars	₹ In Lakhs	
	2021-22 ₹ In lakhs	2020-21 ₹ In lakhs
Opening Balance	1098.44	2008.06
Additions during the year	11236.41	5210.34
Less: Capitalised during the year	(3051.83)	(6324.32)
Finance Charges	309.24	204.36
Closing Balance #	9592.26	1098.44

Includes Intangible Assets under development ₹7.30 Lakhs (March 31, 2021: ₹15.29 Lakhs)]

CWIP Ageing Schedule

Tangible Assets

Particulars	Amount in CWIP as on 31.03.2022 for period of						Amount in CWIP as on 31.03.2021 for period of					
	1-2 years		2-3 years		More than 3 years		Less than 1 year		1-2 years		More than 3 years	
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total		
Ongoing Projects	8,855.89	96.59	-	-	8,952.48	409.51	58.31	-	21.35	489.17		
Project Stock	629.66	2.82	-	-	632.48	381.26	70.61	23.38	118.73	593.98		
Projects in Progress	9,485.55	99.41	-	-	9,584.96	790.77	128.92	23.38	140.08	1,083.15		
Projects Suspended	-	-	-	-	-	-	-	-	-	-		
TOTAL	9,485.55	99.41	-	-	9,584.96	790.77	128.92	23.38	140.08	1,083.15		

Intangible Assets

Particulars	Amount in CWIP as on 31.03.2022 for period of				Amount in CWIP as on 31.03.2021 for period of					
	1-2 years		2-3 years		Less than 1 year		1-2 years		More than 3 years	
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Ongoing Projects	7.30	-	-	-	7.30	15.29	-	-	-	15.29
Project Stock	-	-	-	-	-	-	-	-	-	-
Projects in Progress	7.30	-	-	-	7.30	15.29	-	-	-	15.29
Projects Suspended	-	-	-	-	-	-	-	-	-	-
TOTAL	7.30	-	-	-	7.30	15.29	-	-	-	15.29

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(For Capital-Work-in Progress, whose completion is overdue or has exceeded its cost compared to its original plan.)

Tangible Assets

₹ In Lakhs

Particulars	As on 31.03.2022					As on 31.03.2021				
	to be completed in					to be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Lamination Project	7,265.65	-	-	-	7,265.65	-	-	-	-	-
Upgradation & Modification Projects	1,065.19	-	-	-	1,065.19	148.61	-	-	-	148.61
Metaliser Project	-	-	-	-	-	125.95	-	-	-	125.95
TOTAL	8,330.84	-	-	-	8,330.84	274.56	-	-	-	274.56

Intangible Assets

₹ In Lakhs

Particulars	As on 31.03.2022					As on 31.03.2021				
	to be completed in					to be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
IT Upgradation Project	7.30	-	-	-	7.30	-	-	-	-	-
TOTAL	7.30	-	-	-	7.30	-	-	-	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

3. (a) NON - CURRENT INVESTMENTS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Investment at Fair Value Through Other Comprehensive Income (FVTOCI) in Quoted Equity Instruments		
262,543 (March 31, 2021 - 262,543) Equity Shares of Garware Technical Fibres Limited, of the face value of ₹ 10/- each, fully paid-up.	7,434.43	6,744.90
Investment at Fair Value Through Profit and Loss (FVTPL) in Unquoted Equity Instruments		
500 (March 31, 2021 - 500) Equity Shares of The Co-Operative Stores Ltd. (New Delhi), of the face value of ₹ 10/- each, fully paid up	0.05	0.05
10,000 (March 31, 2021 - 10,000) Equity Shares of S I C O M Ltd., of the face value of ₹ 10/- each fully paid-up	8.00	8.00
100 (March 31, 2021 - 100) Equity Shares of Cosmos Co-Operative Bank Ltd., of the face value of ₹ 10/- each fully paid up	0.02	0.02
25 (March 31, 2021 - 25) Equity Shares of Shamrao Vithhal Co-Operative Bank Ltd, of the face value of ₹ 25/- each fully paid up	0.01	0.01
TOTAL	7,442.51	6,752.98
Aggregate Amount of Quoted Investments	7,434.43	6,744.90
Aggregate Amount of Unquoted Investments	8.08	8.08
Aggregate Cost of Total Investments	45.50	45.50

i) The Group has not Traded or Invested in any Crypto Currency or Virtual Currency during the current year and previous year.

3. (b) CURRENT INVESTMENTS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Investment at Fair Value Through Profit and Loss (FVTPL) in Quoted Mutual Funds		
3,17,49,882 Units in HDFC Arbitrage Fund (Previous year 5,20,32,685 Units)	5,106.33	8,029.16
1,10,302 Units in HDFC Overnight Mutual Fund (Previous year 139,789 Units)	3,482.73	4,274.85
78,48,470 Units in HDFC Corporate Bond Fund (Previous year NIL)	2,051.05	-
2,99,11,756 Units in Tata Arbitrage Fund (Previous year NIL)	3,585.07	-
1,48,88,628 Units in Axis Corporate Debt Fund (Previous year NIL)	2,048.15	-
1,13,38,844 Units in Kotal Equity Arbitrage Fund (Previous year NIL)	3,590.90	-
8,14,451 Units in HDFC Ultra Short Term Fund (Previous year NIL)	100.00	-
0 Units in HDFC Low Duration Fund (Previous year 74,37,463 Units)	-	3,538.37
TOTAL	19,964.23	15,842.38
Aggregate Amount of Quoted Investments	19,478.32	15,588.59
Aggregate Fair Value of Quoted Investments (NAV)	19,964.23	15,842.38

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

4. OTHER FINANCIAL ASSETS - NON - CURRENT

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Security Deposits (Considered Good, Unsecured)	232.07	238.42
TOTAL	232.07	238.42

- i) Security deposit includes rental deposits of ₹64.50 Lakhs given to Directors / Relatives of Directors (March 31, 2021 - ₹ 64.50 Lakhs) and ₹ 43.50 Lakhs given to Companies in which Directors are a Director / Member (March 31, 2021 - ₹ 43.50 Lakhs).

5. TRADE RECEIVABLES

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Trade Receivable Considered Good, Unsecured	3,326.05	4,202.02
Trade Receivable - Credit Impaired	20.86	20.86
Less: Allowance For Doubtful Debts	(20.86)	(20.86)
TOTAL	3,326.05	4,202.02

Trade Receivable - Ageing schedule from due date of payment

Particulars	March 31, 2022						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered Good	2,364.36	961.70	-	-	-	-	3,326.05
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	20.86	20.86
Less : Allowance for doubtful debts	-	-	-	-	-	(20.86)	(20.86)
Total	2,364.36	961.70	-	-	-	-	3,326.05

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

Particulars	March 31, 2021							Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years		
(i) Undisputed Trade Receivables - considered Good	2,977.75	1,209.43	14.84	-	-	-	4,202.02	
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-	
(iv) Disputed Trade Receivables - considered Good	-	-	-	-	-	-	-	
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	20.86	20.86	
Less : Allowance for doubtful debts	-	-	-	-	-	(20.86)	(20.86)	
Total	2,977.75	1,209.43	14.84	-	-	-	4,202.02	

6. (a) CASH AND CASH EQUIVALENTS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Balances with Banks		
In Current Accounts	9,913.53	6,172.84
In Deposit Accounts	-	52.37
Cash on Hand	17.28	27.77
TOTAL	9,930.81	6,252.98

6. (b) OTHER BANK BALANCES

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
In Earmarked Accounts		
Unclaimed Dividend Accounts	122.74	93.40
Margin Money Deposit	767.98	632.60
TOTAL	890.72	726.00

7. LOANS - CURRENT

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Loans and Advances to Employees - Considered Good, Unsecured	12.79	51.86
TOTAL	12.79	51.86

- i) No funds has been advanced to, loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person or entity including foreign entity (Intermediaries) with the understanding whether recorded in writing or otherwise that the Intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

8. OTHER FINANCIAL ASSETS - CURRENT

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Derivative Financial Instrument.	51.14	32.77
Other Receivables	118.97	35.23
TOTAL	170.11	68.00

i) Other receivables includes insurance claim and discount receivable from vendors.

9. INVENTORIES

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Stores, Spares and Packing Materials	2,973.18	2,515.42
Raw Materials	4,272.17	2,900.15
Finished Goods	6,145.18	865.40
Finished Goods (Stock in Transit)	2,831.89	2,260.06
Semi Finished Goods	4,810.91	3,870.32
TOTAL	21,033.33	12,411.35

10. (a) OTHER NON CURRENT ASSETS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Capital Advances		
Considered Good, Secured	636.77	-
Considered Good, Unsecured	1,431.60	1,142.60
	2,068.37	1,142.60
Advances other than Capital Advances		
Balances with Government Authorities.	168.71	1,179.30
(Includes ₹164.64 Lakhs towards CST Receivable (Previous year ₹1,178.30 Lakhs))		
TOTAL	2,237.08	2,321.90

10. (b) OTHER CURRENT ASSETS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Prepaid Expenses	302.13	262.98
Balances with Government Authorities	3,474.17	2,508.07
Advances Paid to Suppliers/ Vendors (Net of Provision)	600.74	827.24
TOTAL	4,377.04	3,598.29

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

10 (c) ASSETS CLASSIFIED AS HELD FOR SALE

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Plant and Equipment *	-	81.06
TOTAL	-	81.06

- i) *During the previous year the Company intended to dispose off certain used / old plant and equipment situated at Waluj plant, as it no longer intended to use in the next 12 months. The fair value less cost to sell was higher than the carrying amount.

11. (a) DEFERRED TAX ASSETS

The Balance of Deferred Tax Comprises Temporary Differences Attributable to:

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Deferred tax assets		
Expenses Allowed on Payment Basis	328.07	305.49
Minimum Alternate Tax Credit Entitlement	-	3,158.22
Unrealised Profits on Inter Companies Stock	721.30	253.56
IND AS 116- Right to use Assets	33.22	43.37
Remeasurements of Post Defined Benefit Obligations	165.52	124.59
Others	9.87	10.32
TOTAL (A)	1,257.98	3,895.55
Deferred Tax Liabilities		
Excess of Written Down Value as per Books and as per Income Tax Act, 1961	3,315.97	4,084.41
Deferred Tax on Fair Value changes	676.14	562.21
TOTAL (B)	3,992.11	4,646.62
Deferred Tax Assets / (Liability) (Net) (A-B)	(2,734.13)	(751.07)

Changes in Deferred Tax Assets/ (Liabilities) in Statement of Profit and Loss [(charged) / credited during the year]

	Year Ended	
	March 31, 2022 ₹ In Lakhs	March 31, 2021 ₹ In Lakhs
Expenses Allowed on Payment Basis	22.58	(29.58)
Others	(0.45)	2.14
Minimum Alternate Tax Credit Entitlement	(3,158.22)	(2,540.48)
IND AS 116- Right to use Assets	(10.15)	14.93
Remeasurements of Post Defined Benefit Obligations	40.93	56.39
Unrealised Profits on Inter Companies Stock	467.74	245.60
Excess of Written Down Value as per Books and as per Income Tax Act, 1961	768.44	(527.47)
Deferred Tax on Fair Value changes	(113.93)	(485.46)
Deferred Tax on Loan Processing Charges	-	20.41
TOTAL	(1,983.06)	(3,243.52)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

11. (b) INCOME TAXES

The Major Components of Income Tax Expense for the year ended are :

Statement of Profit and Loss

Profit and Loss Section	Year Ended March 31, 2022 ₹ In Lakhs	Year Ended March 31, 2021 ₹ In Lakhs
Current Income Tax		
Current tax on profit for the current year	4,444.46	3,585.85
Short / (Excess) Tax of Earlier Year	(43.89)	-
Deferred Tax		
Deferred Tax	(1,214.55)	286.79
MAT Credit Entitlement	3,202.11	2,540.48
Income Tax Expense Reported in the Statement of Profit or Loss	6,388.13	6,413.12

Other Comprehensive Income Section

	Year Ended March 31, 2022 ₹ In Lakhs	Year Ended March 31, 2021 ₹ In Lakhs
Deferred Tax Relating to Remeasurements of Post Employment Benefit Obligations and Gain on Fair Valuation of Equity Instruments	39.39	416.25
Income Tax Charged to OCI	39.39	416.25

Movement in Income Tax (Assets) / Liabilities (Net)

	March 31, 2022 ₹ In Lakhs	March 31, 2021 ₹ In Lakhs
Opening Balance [Payable/ (Receivable)]	(171.44)	68.80
Add : Current Tax Payable for the year	4,444.46	3,585.85
Less : Taxes Paid	(4,218.58)	(3,826.09)
Closing Balance [Payable/ (Receivable)]	54.44	(171.44)

Reconciliation of Tax Expense and Accounting Profit for the year:

Other Comprehensive Income Section

	Year Ended March 31, 2022 ₹ In Lakhs	Year Ended March 31, 2021 ₹ In Lakhs
Accounting Profit Before Tax	23,106.14	19,008.35
Tax at Statutory Income Tax Rate of @ 34.944%	8,074.21	6,642.28
Tax Effect of Amounts Which are Not Deductible (Taxable) in Calculating Taxable Income		
- Donations	170.19	106.78
- Research and Development Expenditure	-	(0.78)
- Short / (Excess) Tax of Earlier Year	(43.89)	-
- Other Items	(398.92)	(229.70)
- Long Term Capital Gain Taxable at Special Rate	(74.40)	-
- Reduction in Deferred Tax on Account of Change in Tax Rate from 34.944% to 25.168%	(1,127.77)	-
- Difference in Tax Rates of Subsidiaries	(211.29)	(105.46)
Income-Tax Expense	6,388.13	6,413.12

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

12. (a) EQUITY SHARE CAPITAL

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Authorised Equity Share Capital:		
40,000,000 (March 31, 2021 : 40,000,000) Equity Shares of ₹ 10/- each	4,000	4,000
6,000,000 (March 31, 2021 : 6,000,000) Preference Shares of ₹ 100/- each	6,000	6,000
TOTAL	10,000	10,000
Issued, Subscribed and Paid Up :		
23,232,394 (March 31, 2021 : 23,232,394) Equity Shares of ₹ 10/- each	2,323.24	2,323.24
TOTAL	2,323.24	2,323.24

(i) Reconciliation of Number of Equity Shares

	Year Ended March 31, 2022 ₹ In Lakhs	Year Ended March 31, 2021 ₹ In Lakhs
Shares Outstanding at the Beginning of the year	23,232,394	23,232,394
Add: Issued during the year	-	-
Outstanding at the end of the year	23,232,394	23,232,394

(ii) Terms/ Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10/-. Each shareholder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders. The Company declares and pays Dividend in Indian rupees.

Final Dividend of ₹10/- per Equity Share for the Financial year ended 31st March 2022 proposed by board of directors in its meeting held on 26th May 2022 (₹10/- per Equity Share for FY 2020-21) is in compliance with Section 123 of the Companies Act, 2013 and is subject to approval of shareholders in the ensuing Annual General Meeting and if approved, would result in Cash outflow of ₹2,323.24 Lakhs.

(iii) Details of Equity Shares held by Shareholders holding more than 5% of the aggregate Shares in the Company

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	% holding	No. of shares	% holding	No. of shares
S. B. Garware Family Trust	38.17%	8,868,372	38.17%	8,868,372
B. D. Garware Research Centre (Formerly known as B.D Garware Research Center)	5.35%	1,242,216	5.35%	1,242,216
Shri S. B. Garware	5.01%	1,163,001	5.01%	1,163,001
Minal Bharat Patel*	-	-	6.48%	1,506,405

* Holding < 5% as at March 31, 2022.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

(iv) Details of Shares held by Promoters

Sr. No.	Promoter Name	As at 31.03.2022		As at 31.03.2021		% change during FY 2021-22
		No. of shares	% of total shares	No. of shares	% of total shares	
1	S. B. Garware Family Trust	8,868,372	38.17%	8,868,372	38.17%	-
2	B. D. Garware Research Centre Private Limited (Formerly known as B.D Garware Research Center)	1,242,216	5.35%	1,242,216	5.35%	-
3	Shri S. B. Garware	1,163,001	5.01%	1,163,001	5.01%	-
4	Monika Garware Benefit Trust	573,917	2.47%	573,917	2.47%	-
5	Sarita Garware Benefit Trust	573,917	2.47%	573,917	2.47%	-
6	Great View Real Estates Private Limited	469,175	2.02%	469,175	2.02%	-
7	Ms. Sonia Garware	268,595	1.16%	268,595	1.16%	-
8	Mrs. Sarita Garware Ramsay	267,810	1.15%	267,810	1.15%	-
9	Ms. Monika Garware	267,504	1.15%	267,504	1.15%	-
10	Garware Industriees Private Limited	235,000	1.01%	235,000	1.01%	-
11	Mrs. Sheela S. Garware	175,465	0.76%	175,465	0.76%	-
12	Sonia Garware Benefit Trust	1,000	0.00%	1,000	0.00%	-

12. (b) OTHER EQUITY

	Capital redemption reserve	Securities premium	Capital reserve	General reserve	Retained earnings	Foreign Currency Translation Reserve (OCI)	FVTOCI - Equity Instruments	Total ₹ In Lakhs
As at March 31, 2021	5,446.00	592.14	76,389.38	6,909.91	58,311.80	149.03	6,233.94	154,032.20
Profit for the year	-	-	-	-	16,718.01	-	-	16,718.01
Other Comprehensive Income								
a) Remeasurement of Post Employment Benefit Obligations (Net of Tax)	-	-	-	-	(260.92)	-	-	(260.92)
b) Changes in Fair Value of Equity Instruments through OCI (Net of Tax)	-	-	-	-	-	-	609.20	609.20
c) Currency Translation Adjustments Relating to Subsidiaries	-	-	-	-	-	(10.64)	-	(10.64)
Reductions during the year:								
Dividends Paid FY 20-21	-	-	-	-	(2,323.24)	-	-	(2,323.24)
As at March 31, 2022	5,446.00	592.14	76,389.38	6,909.91	72,445.65	138.39	6,843.14	168,764.61

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

Other Equity

	Capital Redemption Reserve	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve (OCI)	FVTOCI - Equity Instruments	Total ₹ In Lakhs
As at March 31, 2020	5,446.00	592.14	76,389.38	6,909.91	45,821.56	128.21	2,762.01	138,049.21
Profit for the year	-	-	-	-	12,595.23	-	-	12,595.23
Other Comprehensive Income								
a) Remeasurement of Post Employment Benefit Obligations (Net of Tax)	-	-	-	-	(104.99)	-	-	(104.99)
b) Changes in Fair Value of Equity Instruments through OCI (Net of Tax)	-	-	-	-	-	-	3,471.93	3,471.93
c) Currency Translation Adjustments Relating to Subsidiaries	-	-	-	-	-	20.82	-	20.82
As At March 31, 2021	5,446.00	592.14	76,389.38	6,909.91	58,311.80	149.03	6,233.94	154,032.20

Nature and purpose of Other Reserves:

1 Capital Redemption Reserve

Capital redemption reserve is towards the redemption of Preference Shares allotted to Industrial Development Bank of India (IDBI) in FY 2014 - 15.

2 Securities Premium

Securities Premium reserve is towards the Premium on issue of Equity Shares. This reserve is utilised in accordance with the provisions of The Companies Act, 2013.

3 Capital Reserve

Capital Reserve of ₹ 4,439.48 Lakhs was created on demerger of manufacturing business of erstwhile Garware Chemicals Limited (GCL) as per the scheme of arrangement between the Company and GCL under provisions of section 391 - 394 of the Companies Act, 1956 and ₹ 61,842.43 Lakhs (net of Deferred Tax) on account of fair valuation of property, plant and equipment done as at the transition date of Ind AS. Capital Reserve also includes Revaluation Reserve amounting to ₹ 4,584.49 Lakhs pertains to revaluation of land at Mumbai at Vile Parle in 2007 and ₹ 18,755.94 Lakhs revaluation of land situated at Aurangabad and Nashik in FY 2012 - 13 and ₹ (13,235.03) Lakhs pertains to impairment of assets taken over from GCL in FY 2012 - 13 and ₹2.07 Lakhs amount paid up on cancellation of 82,756 Shares.

4 Fair Value Through Other Comprehensive Income (FVTOCI) Equity Instruments

The Company has elected to recognise changes in fair value of certain investments in equity instruments through other comprehensive income. These changes are accumulated within the FVTOCI equity instruments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity instruments are derecognised.

13. (a) NON CURRENT BORROWINGS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Secured		
Term Loans		
Indian Rupee Loans From Banks	18,244.69	13,192.89
TOTAL	18,244.69	13,192.89
Less: Current Maturities of Long Term Debt (Included in Note 13(c))	6,542.95	3,531.45
Total Non Current Borrowings	11,701.74	9,661.44

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

13 (b) NON CURRENT LEASE LIABILITY

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Non Current Lease Liability		
From Bank (Secured)	870.31	572.58
From Others	1,071.83	1,507.04
TOTAL	1,942.14	2,079.62
Less : Current Maturities of Lease Liability		
From Bank	158.99	104.74
From Others	466.18	455.81
TOTAL	625.17	560.55
Non Current Lease Liability	1316.97	1519.07

13 (c) CURRENT BORROWINGS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Current maturities of Long Term Borrowings	6,542.95	3,531.45
TOTAL	6,542.95	3,531.45

Terms of Repayment for Borrowings

Particulars	Terms of Repayment
Non -current	
Indian Rupee Loans from Banks	Loan of ₹5,069.99 Lakhs is repayable in 24 monthly instalments from April-22 to March-24. Loan of ₹6,336.47 Lakhs is repayable in 13 quarterly instalments from May-22 to May-25. Loan of ₹ 6,916.28 Lakhs is payable in 42 monthly installments from April-22 to Sep-25. Rate of interest: 7.85% to 8.50% p.a.
Obligations Under Finance Leases from Bank	Repayable in 50 to 65 monthly instalments from April-22 to August-27 Rate of interest: 7.25% - 9.75% p.a.
Current	
Indian Rupee Loans from Banks	Rate of interest : 7.80 % to 9.25% p.a.
Foreign Currency	Rate of Interest : LIBOR + 1.50 % to LIBOR + 2.00% p.a.

Details of Security for the Non - Current and Current Borrowings:

Particulars	Nature of Security
Non -current	
Indian Rupee Loans from Banks	First Pari - passu charge on property, plant and equipment (present and future) except Vile Parle, Mumbai property and Nasik Property and second pari - passu charge on current assets.
Obligations Under Finance Leases from Bank	Hypothecation of specific assets
Current	
Indian Rupees and Foreign Currency and Working Capital Loans	Hypothecation of all the current assets including inventory, book debts etc. and second charge on property, plant and equipment of the Company excluding Vile Parle, Mumbai property and Nashik property.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

- i) The Term Loans have been applied for the purposes of Capacity Expansion and various other capex plans.
- ii) Registration of charges or satisfaction with registrar of the Holding companies have been complied with in the statutory period.
- iii) Quarterly return / statements of current assets filled by the Holding Company with banks are in agreement with the books of accounts.
- iv) The Holding Company has not been declared as Willful Defaulter by any bank or financial institution.
- v) No funds have been received by the Holding Company from any person or entity including foreign entity (Funding Parties), with the understanding whether recorded in writing or otherwise that the Holding Company shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi) Funds raised on short term basis are not used for long term purpose.

14. TRADE PAYABLES

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Total Outstanding Dues of Micro Enterprises and Small Enterprises	1,221.41	565.31
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	9,768.83	8,083.90
TOTAL	10,990.24	8,649.21

Details of Dues to Micro and Small Enterprises as Defined under the MSMED Act, 2006

Based on the information and records available with the Company, the disclosures required pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED ACT'). The Disclosure pursuant to the said MSMED Act are as follows:

Sr. No.	Particulars	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
a)	Principal amount due to suppliers registered under MSMED Act and remaining unpaid as at the year end (including capital creditors ₹ 32.04 lakhs)	1,253.45	565.31
b)	Interest due thereon	-	-
c)	Interest paid by the Company in term of section 16	-	-
d)	Interest due and payable for the period of delay in payment	-	-
e)	Interest accrued and remaining unpaid	-	-
f)	Interest remaining due and payable even in succeeding years	-	-

Trade Payable Ageing Schedule from due date of payment

Sr. No.	Particulars	March 31, 2022						Total
		Not Due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	1,077.89	-	143.51	-	-	-	1,221.41
(ii)	Others	6,933.38	965.95	1,754.44	53.63	6.93	54.52	9,768.83
(iii)	Disputed Dues - MSME	-	-	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-	-	-
	Total	8,011.27	965.95	1,897.96	53.63	6.93	54.52	10,990.24

Sr. No.	Particulars	March 31, 2021						Total
		Not Due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	554.63	-	10.68	-	-	-	565.31
(ii)	Others	5,645.57	555.35	1,783.69	6.68	31.76	22.85	8,045.90
(iii)	Disputed Dues - MSME	-	-	-	-	-	-	-
(iv)	Disputed Dues - Others	38.00	-	-	-	-	-	38.00
	Total	6,238.20	555.35	1,794.37	6.68	31.76	22.85	8,649.21

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

15. OTHER FINANCIAL LIABILITIES - CURRENT

	As at March 31, 2022	As at March 31, 2021
Unclaimed Dividend	122.74	93.40
Creditors for Capital Expenditure	701.94	227.35
Payable for Expenses	717.59	513.46
Payable to Employees	559.60	533.62
Deposit from Customers	197.88	618.63
TOTAL	2,299.75	1,986.46

i) There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

16. NON-CURRENT PROVISIONS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Provision for Employee Benefits (Refer Note 29)		
Provision for Compensated Absences	388.76	403.09
TOTAL	388.76	403.09

17. CURRENT PROVISIONS

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Provision for Employee Benefits (Refer Note 29)		
Provision for Gratuity	532.38	388.13
Provision for Compensated Absences	433.51	503.78
TOTAL	965.89	891.91

18. OTHER CURRENT LIABILITIES

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Statutory Liabilities	500.98	369.03
Advances from Customers	4,064.13	2,058.78
TOTAL	4,565.11	2,427.81

19. REVENUE FROM OPERATIONS

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Sale of Products	127,504.81	97,130.42
Other Operating Revenue		
Export Incentives	2,389.50	1,513.11
Sale of Scrap and Others	369.08	259.47
TOTAL	130,263.39	98,903.00

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

20. OTHER INCOME

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Interest Income:		
- On Bank Deposits	39.37	39.68
- On Income Tax & Sales Tax Refund	8.02	28.17
- Others	1.35	1.74
Dividend from Quoted Equity Investments Measured at Fair Value Through OCI	6.56	0.48
Insurance Claims	77.35	2.46
Profit on Sale of Property, Plant and Equipment	1,485.00	-
Profit on Sale of Investments	350.57	218.17
Excess Provision/ Sundry Credit Balances Written Back	27.08	114.55
Gain on Exchange Rate Fluctuations	1,481.98	887.70
Net Gain on Financial Assets Measured at FVTPL	455.71	253.79
Unwinding of Security Deposit	9.92	9.72
Government Grant (SICOM Sales Tax Deferral)	-	7.54
TOTAL	3,942.91	1,564.00

- i) The Holding Company does not have any transactions not recorded in books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961.

21. COST OF MATERIALS CONSUMED

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Opening Inventory	2,900.15	2,309.71
Add: Purchases	61,234.49	37,256.81
Less: Sales	(91.33)	(20.16)
Less: Closing Inventory	(4,272.17)	(2,900.15)
TOTAL	59,771.14	36,646.21

22. CHANGE IN INVENTORIES OF FINISHED GOODS AND SEMI - FINISHED GOODS

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Closing Inventory		
- Semi - Finished Goods	4,810.91	3,870.32
- Finished Goods	8,977.07	3,125.46
	13,787.98	6,995.78
Less: Opening Inventory		
- Semi - Finished Goods	3,870.32	3,753.29
- Finished Goods	3,125.45	1,974.80
	6,995.77	5,728.09
Net Change in Inventory	(6,792.21)	(1,267.69)

23. EMPLOYEE BENEFITS EXPENSE

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Salaries, Wages and Bonus	10,695.93	9,272.68
Contributions to Provident Fund and Other Funds	912.95	839.54
Staff Welfare Expenses	676.44	647.05
TOTAL	12,285.32	10,759.27

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

24. FINANCE COSTS

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Interest Expense	1,172.62	1,315.84
Interest Expense on Right to Use Assets	165.44	191.22
Other Borrowing Cost	486.41	461.57
Applicable (Gain)/ Loss on Foreign Currency Translation and Transactions	-	(9.47)
TOTAL	1,824.47	1,959.16

i) Finance costs amounting to ₹ 309.24 lakhs (March 31, 2021 : ₹204.36 Lakhs) is capitalised in the cost of assets during the current year.

25. DEPRECIATION AND AMORTIZATION EXPENSE

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Depreciation on Property, Plant and Equipment (including IND AS 116 Depreciation)	2,753.12	2,342.02
Amortisation of Intangible Assets	65.87	55.26
TOTAL	2,818.99	2,397.28

26. OTHER EXPENSES

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Stores, Spares & Packing Materials Consumed	7,652.91	5,594.34
Power and Fuel	10,501.33	8,065.77
Processing Charges	5,049.35	4,009.57
Water Charges	122.38	105.91
Rent, Hire Charges and Compensation	83.08	74.53
Rates, Taxes and License Fees	122.96	119.75
Insurance	385.83	347.63
Freight & Forwarding (Net)	7,858.75	4,809.85
Research and Development Expenses	371.74	303.30
Advertisement Expenses	158.15	66.75
Repairs and Maintenance Expenses:		
Plant and Machinery	255.45	206.48
Building	272.64	359.09
Others	1,046.89	851.49
Contract Labour Cost	2,257.04	1,792.14
Security Charges	588.92	419.24
Travelling & Conveyance	361.54	208.46
Postage, Telegrams & Telephones	71.10	75.92
Commission on Sales	170.18	171.54
Contribution Towards Corporate Social Responsibilities (Refer Note 26A)	267.94	238.50
Donation	556.03	378.27
Legal and Professional Charges*	1,415.49	1,425.95
Auditors Remuneration (Refer Note 26B)	84.49	77.03
Directors Sitting Fees	11.68	12.08
Loss on Sale of Property, Plant and Equipment	-	75.68
Miscellaneous Expenses	1,508.22	1,175.15
Provision for Doubtful Advances	18.36	-
TOTAL	41,192.45	30,964.42

i) *Legal and professional charges include ₹3.25 lakhs (March 31, 2021: ₹6 lakhs) paid to a firm in which one of the partner of the auditor of the firm is interested as a partner and NIL (March 31, 2021: ₹ 12.20 lakhs) paid to a firm in which one of the Directors is a proprietor for Corporate Law and Tax Services.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

26. (a) CORPORATE SOCIAL RESPONSIBILITY (CSR)

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Gross Amount required to be Spent by the Company during the year	263.09	178.31
TOTAL	263.09	178.31
Amount spent during the year		
A. Construction/ Acquisition of any Asset	-	-
B. On Purposes other than (A) above	267.94	238.50
TOTAL	267.94	238.50
C. Shortfall at the end of the year	-	-
D. Total of previous years shortfall	-	-
E. Reason for Shortfall	NA	NA
F. Nature of CSR Activities		₹ In Lakhs

Name of the project	Implementing Agency	Amount Spent	
		2021-22	2020-21
Promoting Health care measures for poor people	Garware Hi-Tech Films Limited	167.94	-
Promote social and economic development in the city by creating an opportunity to nature, support	Garware Charitable Trust	100.00	-
Promoting Education to Women, street children and Others	Garware Charitable Trust	-	110.00
Promoting Health care measures for poor people	Garware Charitable Trust	-	8.50
Promoting basic needs of elderly and deprived section of society	Garware Charitable Trust	-	120.00
TOTAL		267.94	238.50

G. Details of Related party transactions - Refer Note No.30

26. (b) PAYMENT TO AUDITORS

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
As Auditor		
Statutory Audit Fees	55.74	53.13
Tax Audit Fees	6.00	5.50
In Other Capacity		
For Certification/ Others	22.31	17.82
Reimbursement of Out of Pocket Expenses	0.44	0.58
TOTAL	84.49	77.03

27. EARNINGS PER SHARE (EPS)

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Net Profit Attributable to the Equity Shareholders of the Company	16,718.01	12,595.23
Weighted Average Number of Equity Shares	23,232,394	23,232,394
Basic & Diluted Earnings Per Share (in ₹)	71.96	54.21

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

28. (a) CONTINGENCIES AND COMMITMENTS

a) Contingent Liabilities

	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Disputed Matters in Appeal / Contested in Respect of:		
Excise Duty and Service Tax	40.57	40.57
Maharashtra State Electricity Board (MSEB)	27.72	27.72
Grampanchayat Tax	69.93	-
TOTAL	138.22	68.29

- b) The Company has given counter-guarantees for ₹ 5,620.22 Lakhs (March 31, 2021: ₹ 4,825 Lakhs) to banks in respect of guarantees given by the banks to third parties for purchase of equipments, supply of goods, clearance of goods from customs, excise bonds, etc.
- c) Letters of Credit opened on behalf of the Company by Banks for purchase of materials and equipment amount to ₹ 4,598.15 Lakhs (March 31, 2021: ₹ 2,819.83 Lakhs).
- d) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 6,406.68 Lakhs (March 31, 2021: ₹ 8,634.93 Lakhs) against which an advance of ₹ 2,068.37 Lakhs (March 31, 2021: ₹ 1,142.60 Lakhs) has been paid.

28. (b) LEASES

Company as a Lessee:

Particulars	As at March 31, 2022 ₹ inLakhs	As at March 31, 2021 ₹ In Lakhs
Depreciation for Right to Use Asset	595.90	534.70
Interest Expense on Lease Liabilities	165.44	191.22
Expenses Relating to Short Term Leases / Low Value Assets	230.17	156.36
Repayment of Lease Liabilities	729.77	957.03
Additions to Right to Use Assets	665.00	1,203.00
Carrying amount of Right to Use Assets	2,027.25	2,184.62

29. EMPLOYEE BENEFIT OBLIGATIONS

Particulars	As at March 31, 2022 ₹ In Lakhs	As at March 31, 2021 ₹ In Lakhs
Gratuity (Refer Note C)	532.38	388.13
Non-Current	-	-
Current	532.38	388.13

A Defined Contribution Plan

The Company has certain defined contribution plans. Contributions are made to provident fund for employees at the rate as per regulation of basic salary. The contributions are made to registered provident fund administered by the government, however certain employees are covered under the contributory plans with trust "Garware Polyester Limited Office Staff and Officers Provident Fund". The expense recognised during the period towards defined contribution plan is ₹ 196.53 lakhs (March 31, 2021 - ₹ 144.54 lakhs).

B Compensated absences

The leave obligations is towards encashment of balance leave. The provision reversed during the year is ₹ 84.60 lakhs (March 31, 2021 - provided ₹ 161.42 lakhs).

C Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The gratuity plan is a funded plan.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

I The Amounts Recognised in Balance Sheet and Movements in the Net Benefit Obligation over the year are as follows:

(₹ In Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2021	3,105.09	(2,716.96)	388.13
Current Service Cost	155.36	-	155.36
Interest Expense / (Income)	193.78	(179.33)	14.45
Total Amount Recognised in Profit or Loss	349.14	(179.33)	169.81
Return on Plan Assets	-	(16.91)	(16.91)
(Gain) / Loss from Experience Changes	366.60	-	366.60
(Gain) / Loss from Change in Financial Assumptions	(47.84)	-	(47.84)
Total Amount Recognised in Other Comprehensive Income	318.76	(16.91)	301.85
Employer Contributions	-	(338.41)	(338.41)
Benefits Paid	(338.22)	338.22	-
Mortality Charges and Taxes	-	11.00	11.00
March 31, 2022	3,434.77	(2,902.39)	532.38

(₹ In Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2020	2,876.07	(2,606.35)	269.72
Current Service Cost	155.43	-	155.43
Interest Expense / (Income)	180.90	(170.42)	10.48
Total Amount Recognised in Profit or Loss	336.33	(170.42)	165.91
Return on Plan Assets	-	(1.65)	(1.65)
(Gain) / Loss from Experience Changes	(34.41)	-	(34.41)
(Gain) / Loss from Change in Financial Assumptions	197.44	-	197.44
Total Amount Recognised in Other Comprehensive Income	163.03	(1.65)	161.38
Employer Contributions	-	(222.00)	(222.00)
Benefits Paid	(270.34)	270.34	-
Mortality Charges and Taxes	-	13.12	13.12
March 31, 2021	3,105.09	(2,716.96)	388.13

II The Net Liability Disclosed above Relates to Funded Plans are as Follows :

Particulars	March 31, 2022 ₹ In Lakhs	March 31, 2021 ₹ In Lakhs
Present Value of Funded Obligation	3,434.77	3,105.09
Fair Value of Plan Assets	(2,902.39)	(2,716.96)
Deficit	532.38	388.13

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

III Estimates

The Actuarial Assumptions were as follows :

Particulars	March 31, 2022	March 31, 2021
Discount Rate	6.90%	6.60%

IV Sensitivity of Actuarial Assumptions

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

₹ In Lakhs

Assumption	Impact on defined benefit obligation	
	March 31, 2022	March 31, 2021
Discount Rate		
1 % Increase	(149.95)	(124.24)
1 % Decrease	165.09	136.31
Future Salary Increase		
1 % Increase	135.45	109.67
1 % Decrease	(125.73)	(102.10)

Projected Benefits Payable from the Fund in Future years from the date of Reporting:

	March 31, 2022 ₹ In Lakhs	March 31, 2021 ₹ In Lakhs
Less than a year	1,000.85	920.82
Between 1 to 2 years	410.59	375.99
Between 2 to 3 years	390.03	364.18
Between 3 to 4 years	489.47	371.67
Between 4 to 5 years	385.93	762.48
Between 6 to 10 years	1,677.69	1,484.69
TOTAL	4,354.56	4,279.83

i) The Weighted duration of the Defined Benefit Obligation is 6.51 years (Previous year 5.75 years.)

V The Major Categories of Plan Assets are as follows:

Particulars	March 31, 2022 ₹ In Lakhs	March 31, 2021 ₹ In Lakhs
Funds Managed by Insurer	100%	100%

VI Risk Exposure

- Asset Volatility** : All plan assets are maintained in a trust managed by a public sector insurer viz. LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.
- Discount Rate Risk** : Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.
- Future Salary Increase and Inflation Risk** : Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.
- Asset-Liability Mismatch Risk** : Risk arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

30. RELATED PARTY TRANSACTIONS - AS PER IND AS 24

Name of the Related Parties and Nature of Relationship

a. Key Management Personnel:

- 1 Shri. S. B. Garware - Chairman and Managing Director
- 2 Ms. Monika Garware - Vice Chairperson & Joint Managing Director
- 3 Mrs. Sarita Garware Ramsay - Joint Managing Director (ceased w.e.f. February 10, 2022)
- 4 Ms. Sonia Garware - Director
- 5 Mr. H.N. Nikam - Whole Time Director (Appointed w.e.f. January 14, 2022)
- 6 Mr. C. J. Pathak - Whole Time Director (ceased w.e.f. January 13, 2022)
- 7 Mr. B. D. Doshi - Director (ceased w.e.f. February 10, 2022)
- 8 Mr. Pradeep Mehta - Chief Financial Officer
- 9 Mr. Awaneesh Srivastava - Company Secretary

b. Non Executive Director :

- 1 Mr. B. Moradian - Non Executive and Independent Director (ceased w.e.f. February 4, 2022)
- 2 Mr. Ramesh P. Makhija - Non Executive and Independent Director
- 3 Mr. M. C. Agarwal - Non Executive and Independent Director
- 4 Mr. T. M. Parikh - Non Executive and Independent Director
- 5 Mr. Nilesh R. Doshi - Non Executive and Independent Director
- 6 Mr. V.H.Kamath - Non Executive and Independent Director
- 7 Ms. Devanshi H. Nanavati - Non Executive and Independent Director

c. Entities in which some of the Directors are Interested

- 1 Garware Industries Private Limited
- 2 Great View Real Estates Private Limited
- 3 Shashvat Investment Consultancy & Properties Private Limited
- 4 Garware Community Centre
- 5 Garware Charitable Trust
- 6 S. B. Garware Family Trust
- 7 Monika Garware Benefit Trust
- 8 Sarita Garware Benefit Trust
- 9 Sonia Garware Benefit Trust

d. Post Employment Benefit Plans

- 1 Garware Polyester Limited Office Staff and Officers Provident Fund

e. Relatives of Key Managerial Personnel

- 1 Mrs. Sunita C. Pathak (up to January 13, 2022)
- 2 Mrs. Priti P. Mehta
- 3 Mrs. Asmita H. Nikam (from January 14, 2022)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

30. TRANSACTIONS WITH RELATED PARTIES

I Key Management Personnel Compensation

	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
Employee Benefit Expense	3,153.69	2,173.40
Post-Employment Benefits	158.82	139.53
TOTAL	3,312.51	2,312.93

Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

II Transactions with the related parties

Sr. No.	Particulars	Relationship	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
a)	Sale of Goods			
	Garware Industries Private Limited	Entities in which some of the Directors are interested	50.42	20.41
b)	Purchase of Materials			
	Garware Industries Private Limited	Entities in which some of the Directors are interested	0.22	9.25
c)	Service Received /Processing/ Commission / Rent Paid / Reimbursement of Expenses/ Donation & CSR expenses			
	Garware Industries Private Limited (Rent)	Entities in which some of the Directors are interested	216.62	206.30
	Garware Industries Private Limited (Processing Charges)	Entities in which some of the Directors are interested	4,980.31	3,954.32
	Great View Real Estates Private Limited (Rent)	Entities in which some of the Directors are interested	72.00	72.00
	Shashvat Investment Consultancy & Properties Private Limited (Rent)	Entities in which some of the Directors are interested	30.00	30.00
	Ms. Monika Garware (Rent)	Vice Chairperson & Joint Managing Director	72.00	72.00
	Mrs. Sarita Garware Ramsay (Rent)	Joint Managing Director	42.00	42.00
	Ms. Sonia Garware (Rent)	Director	72.00	72.00
	Garware Community Centre (Donation & Expenses)	Entities in which some of the Directors are trustees	8.51	8.60
	Garware Charitable Trust (Donation & CSR)	Entities in which some of the Directors are trustees	630.00	595.27
	Garware Polyester Limited Office Staff and Officers Provident Fund (Employer Contribution)	Post Employment Benefit Plans	196.53	144.54
	T. M. Parikh & Co. (Legal and professional fees)	Director is Proprietor	-	12.20

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

Sr. No.	Particulars	Relationship	2021-22 ₹ In Lakhs	2020-21 ₹ In Lakhs
d)	Managerial Remuneration			
	Shri. S. B. Garware	Chairman and Managing Director	880.57	744.42
	Ms. Monika Garware	Vice Chairperson & Joint Managing Director	700.68	523.12
	Mrs. Sarita Garware Ramsay	Joint Managing Director	525.67	477.26
	Ms. Sonia Garware	Director	874.77	313.23
	Mr. C. J. Pathak	Whole Time Director	171.46	116.44
	Mr. H.N. Nikam	Whole Time Director	10.34	-
	Mr. Pradeep Mehta	Chief Financial Officer	75.10	70.19
	Mr. Awaneesh Srivastava	Company Secretary	73.92	68.27
e)	Director Sitting Fees			
	Ms. Sonia Garware	Director	0.60	0.60
	Mr. B. D. Doshi	Director	1.65	1.98
	Mr. B. Moradian	Independent Director	1.55	1.78
	Mr. Ramesh P. Makhija	Independent Director	0.40	0.80
	Mr. M. C. Agarwal	Independent Director	2.28	2.18
	Mr. T. M. Parikh	Independent Director	1.65	1.75
	Mr. Nilesh R. Doshi	Independent Director	1.50	1.00
	Mr. V. H. Kamath	Independent Director	1.05	1.20
	Ms. Devanshi H. Nanavati	Independent Director	1.00	0.80
f)	Car Lease payment / Insurance Reimbursement			
	Mrs. Sunita C. Pathak	Relative of Whole Time Director	3.86	5.06
	Mrs. Priti P. Mehta	Relative of Key Managerial Person	3.39	3.78
	Mrs. Asmita Nikam	Relative of Whole Time Director	0.70	-
g)	Net Balances (Dr/(Cr))			
	Garware Industries Private Limited	Entities in which some of the Directors are interested	(524.30)	(470.56)
	Shashvat Investment Consultancy & Properties Private Limited (Rent deposit)	Entities in which some of the Directors are interested	7.50	7.50
	Great View Real Estates Private Limited (Rent Deposit)	Entities in which some of the Directors are interested	36.00	36.00
	Shri. S. B. Garware (Remuneration Payable)	Chairman and Managing Director	(295.68)	(208.56)
	Ms. Sonia Garware (Rent Deposit / Remuneration Payable)	Director	(9.75)	36.00
	Ms. Monika Garware (Rent Deposit / Remuneration Payable)	Vice Chairperson & Joint Managing Director	(189.58)	(99.49)
	Mrs. Sarita Garware Ramsay (Rent Deposit / Remuneration Payable)	Joint Managing Director	(133.28)	(96.87)
	Mr. C. J. Pathak	Whole time Director	-	(6.36)
	Mr. H.N. Nikam	Whole time Director	(2.47)	-
	Mr. Pradeep Mehta	Chief Financial Officer	(2.73)	(3.51)
	Mr. Awaneesh Srivastava	Company Secretary	(3.51)	(2.68)
	T. M. Parikh & Co. (Legal and professional fees)	Director is Proprietor	-	(3.43)
	Mrs. Sunita C. Pathak	Relative of Whole Time Director	-	(0.40)
	Mrs. Asmita Nikam	Relative of Whole Time Director	(0.26)	-
	Mrs. Priti P. Mehta	Relative of Key Managerial Person	(0.26)	(0.27)

i) The above figures are net of Taxes and Duties

ii) There were no Loan and Advances in the nature of loans given / taken from Directors, Key Managerial Persons and Related Parties or any other entity.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

31. SEGMENT REPORTING

i) "Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Board of Directors have been identified as the Chief Operating Decision Maker. The Group has organised its Operating Segments based on Product Groupings. These Operating Segments have been aggregated into one Reportable Business Segment: Polyester Films.

ii) Geographical Segments

The Company is Domiciled in India. The amount of its revenue from external customers broken down by location of customers is shown in the table below:

(₹ in Lakhs)

Particulars	Within India		China		Rest of the world		Total	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Segment Revenue by Geographical Area based on Geographical Location of Customers	35,911.94	25,429.92	5,082.01	4,935.71	89,269.44	68,537.37	130,263.39	98,903.00

i) The Total of Non-Current Assets (other than Financial Instruments, Deferred Tax Assets and Income Tax Assets) are located in the Company's Country of Domicile i.e. in India.

32. (a) INTEREST IN OTHER ENTITIES

i) Subsidiary and Step-down Subsidiary

Name of the Entity	Place of Business	Ownership Held by Group		Principal Activities
		As at March 31, 2022	As at March 31, 2021	
Subsidiary Garware Hi-Tech Films International Ltd.	United Kingdom	100%	100%	Trading, Marketing and Distribution Solely for Garware Hi-Tech Films Limited
Step-down Subsidiary Global Hi-Tech Films Inc.	USA	100%	100%	Trading, Marketing and Distribution Solely for Garware Hi-Tech Films Limited

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

32 (b) ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III

(₹ In Lakhs)

Particulars	Net Assets i.e. Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent								
Garware Hi-Tech Films Limited								
March 31, 2022	98.66%	168,789.69	95.83%	16,020.53	100.00%	348.28	95.91%	16,368.81
March 31, 2021	98.97%	154,744.12	94.24%	11,869.72	100.00%	3,366.94	95.45%	15,236.66
Foreign Subsidiary								
Global Hi-Tech Films Inc.								
March 31, 2022	1.58%	2,696.93	8.30%	1,387.09	-	-	8.13%	1,387.09
March 31, 2021	1.04%	1,622.43	7.60%	957.40	-	-	6.00%	957.40
Garware Hi-Tech Films International Ltd.								
March 31, 2022	1.09%	1,866.13	4.52%	754.96	-	-	4.42%	754.96
March 31, 2021	0.71%	1,106.05	4.09%	514.81	-	-	3.23%	514.81
Subtotal 2022	101.32%	173,352.75	108.64%	18,162.58	100.00%	348.28	108.46%	18,510.86
Subtotal 2021	100.71%	157,472.60	105.93%	13,341.93	100.00%	3,366.94	104.68%	16,708.87
Inter Company Elimination and Consolidation Adjustment								
March 31, 2022	-1.32%	(2,264.90)	-8.64%	(1,444.57)	-	-	-8.46%	(1,444.57)
March 31, 2021	-0.71%	(1,117.16)	-5.93%	(746.70)	-	-	-4.68%	(746.70)
Grand Total								
March 31, 2022	100%	171,087.85	100%	16,718.01	100%	348.28	100%	17,066.29
March 31, 2021	100%	156,355.44	100%	12,595.23	100%	3,366.94	100%	15,962.17

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

33 FAIR VALUE MEASUREMENTS

Financial Instruments by Category

	March 31, 2022 (₹ in Lakhs)			March 31, 2021 (₹ in Lakhs)		
	Fair Value Through Profit and Loss Account	Fair Value Through Other Comprehensive Income	Amortised Cost	Fair Value Through Profit and Loss Account	Fair Value Through Other Comprehensive Income	Amortised Cost
Financial Assets						
Investments in Quoted Equity Instruments	-	7,434.43	-	-	6,744.90	-
Investments in Unquoted Equity Instruments	8.08	-	-	8.08	-	-
Investment in Quoted Mutual Funds	19,964.23	-	-	15,842.38	-	-
Security Deposits	-	-	232.07	-	-	238.42
Trade Receivables	-	-	3,326.05	-	-	4,202.02
Cash and Cash Equivalents	-	-	9,930.81	-	-	6,252.98
Bank Balances other than above	-	-	890.72	-	-	726.00
Loans and Advances to Employees	-	-	12.79	-	-	51.86
Other Receivables	-	-	118.97	-	-	35.23
Derivative Financial Instrument	51.14	-	-	32.77	-	-
Total Financial Assets	20,023.45	7,434.43	14,511.41	15,883.23	6,744.90	11,506.51
Financial Liabilities						
Non Current Borrowings	-	-	11,701.74	-	-	9,661.44
Non Current Lease Liability	-	-	1,316.97	-	-	1,519.07
Current Maturities of Long Term Debt	-	-	6,542.95	-	-	3,531.45
Trade Payables	-	-	10,990.24	-	-	8,649.21
Current Portion of Lease Liabilities	-	-	625.17	-	-	560.55
Unclaimed Dividend	-	-	122.74	-	-	93.40
Creditors for Capital Expenditure	-	-	701.94	-	-	227.35
Payable for Expenses	-	-	717.59	-	-	513.46
Payable to Employees	-	-	559.60	-	-	533.62
Deposit from Customers	-	-	197.88	-	-	618.63
Total Financial Liabilities	-	-	33,476.82	-	-	25,908.18

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

i) Fair value hierarchy

The fair values of the financial instruments that are recognised and measured at fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard.

(₹ in Lakhs)

Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements	Notes	Level 1	Level 2	Level 3	Total
At as March 31, 2022					
Financial Assets					
Derivative Financial Instrument	8	-	51.14	-	51.14
Investment in Quoted Mutual Fund	3 (b)	19,964.23	-	-	19,964.23
Investment in Quoted Equity Instruments	3 (a)	7,434.43	-	-	7,434.43
Investments in Unquoted Equity Instruments	3 (a)	-	8.08	-	8.08

(₹ in Lakhs)

Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements	Notes	Level 1	Level 2	Level 3	Total
At as March 31, 2021					
Financial Assets					
Derivative Financial Instrument	8	-	32.77	-	32.77
Investment in Quoted Mutual Fund	3 (b)	15,842.38	-	-	15,842.38
Investment in Quoted Equity Instruments	3 (a)	6,744.90	-	-	6,744.90
Investments in Unquoted Equity Instruments	3 (a)	-	8.08	-	8.08

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes quoted equity instruments and mutual funds. The fair value of all the equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period and the mutual funds are valued using closing NAV.

Level 2: The fair value of derivatives and investment in unquoted financial instruments is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Valuation Technique Used to Determine Fair Value

Specific valuation techniques used to value financial instruments include:

The use of quoted market prices or dealer quotes for similar instruments

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date

The fair value of mutual funds is calculated by valuing them at closing NAV

iii) Fair Value of Financial Assets and Liabilities Measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

34. FINANCIAL RISK MANAGEMENT

The Company's activities exposes it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are taken.

The Company's risk management is carried out by the Company's treasury department under policies approved by the board of directors. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

(A) Credit Risk

Credit risk refers to a risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities primarily trade receivables, derivative financial instruments, investment in mutual funds, deposits held with banks, loans and other receivables.

The Company has a policy of only dealing with counterparties that have sufficiently high credit rating. The Company's exposure and credit ratings of its customers are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

For investment in mutual funds, derivative financial instruments and balances held with banks, banks and recognised financial institutions with only high credit rating are accepted.

Trade Receivables

Credit risk arises from the possibility that customer will not be able to settle their obligations as and when agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information. Individual credit limits are set accordingly.

Movement of Provision for Doubtful Debts:

	2021-22	2020-21
Provision for Doubtful Debts as on April 1	20.86	20.86
Change during the year	-	-
Provision for Doubtful Debts as on March 31	20.86	20.86

(B) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying business, the Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

(i) Maturities of Financial Liabilities:

Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities for all non - derivative Financial Liabilities are as follows:

Particulars	Carrying amount as at March 31, 2022	(₹ In Lakhs)		
		< 1 year	1 to 3 years	> 3 years
Non Current Borrowings	11,701.74	-	10,550.90	1,150.84
Non Current Lease Liability	1,316.97	-	918.30	398.67
Current Borrowings	6,542.95	6,542.95	-	-
Current Maturities Lease Liability	625.17	625.17	-	-
Trade Payables	10,990.24	10,990.24	-	-
Unclaimed Dividend	122.74	122.74	-	-
Creditors for Capital Expenditure	701.94	701.94	-	-
Payable for Expenses	717.59	717.59	-	-
Payable to Employees	559.60	559.60	-	-
Deposit from Customers	197.88	197.88	-	-
TOTAL	33,476.82	20,458.11	11,469.20	1,549.51

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

(₹ In Lakhs)

Particulars	Carrying amount as at March 31, 2021	< 1 year	1 to 3 years	> 3 years
Non Current Borrowings	9,661.44	-	9,087.90	573.54
Non Current Lease Liability	1,519.07	-	1,066.84	452.23
Current Borrowings	3,531.45	3,531.45	-	-
Current Maturities Lease Liability	560.55	560.55	-	-
Trade Payables	8,649.21	8,649.21	-	-
Unclaimed Dividend	93.40	93.40	-	-
Creditors for Capital Expenditure	227.35	227.35	-	-
Payable for Expenses	513.46	513.46	-	-
Payable to Employees	533.62	533.62	-	-
Deposit from Customers	618.63	618.63	-	-
TOTAL	25,908.18	14,727.67	10,154.74	1,025.77

(C) Market Risk

1) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company is engaged in international trade and thereby exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (₹). The Company's risk management policy is to hedge sales and purchases. The Company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk.

i) Foreign Currency Risk Exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹ In Lakhs, are as follows :-

	March 31, 2022						March 31, 2021				
	EUR	USD	AUD	AED	JPY	GBP	EUR	USD	AUD	JPY	GBP
Financial Assets											
Trade Receivables	1,199.30	11,161.46	-	-	30.12	135.99	1,808.84	5,970.65	-	6.45	338.76
Financial Instruments (Assets) - Foreign Exchange Forward Contracts (Sell Foreign Currency)	(1,620.84)	(10,624.68)	-	-	-	(198.91)	(780.41)	(4,832.81)	-	-	-
Net Exposure to Foreign Currency Risk (Assets)	(421.54)	536.79	-	-	30.12	(62.92)	1,028.43	1,137.84	-	6.45	338.76
Financial Liabilities											
Trade Payables	156.50	1,671.66	0.56	4.05	-	102.61	14.78	770.34	0.56	-	51.36
Packing Credit in Foreign Currency											
Net Exposure to Foreign Currency Risk (Liabilities)	156.50	1,671.66	0.56	4.05	-	102.61	14.78	770.34	0.56	-	51.36

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

ii) Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments:

(₹ In Lakhs)

	Impact on Profit Before Tax	
	March 31, 2022	March 31, 2021
EUR Sensitivity		
₹/EUR - Increase/ Decrease by 5%	28.90	50.68
USD Sensitivity		
₹/USD - Increase/ Decrease by 5%	56.74	18.38
AUD Sensitivity		
₹/AUD - Increase/ Decrease by 5%	0.03	0.03
AED Sensitivity		
₹/AED - Increase/ Decrease by 5%	0.20	-
JPY Sensitivity		
₹/JPY - Increase/ Decrease by 5%	1.51	0.32
GBP Sensitivity		
₹/GBP - Increase/ Decrease by 5%	8.28	14.37

* Holding all other variables constant

II) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on financial liabilities such as borrowings, both non - current and current. The Company has not used any interest rate derivatives. The Company is also exposed to interest rate risk on its financial assets that include fixed deposits and liquid investments such as deposits which are part of cash and cash equivalents. Since all these are generally for short durations, the Company believes it has manageable risk for achieving satisfactory returns.

35 CAPITAL MANAGEMENT

a) Risk Management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholders value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

b) Dividends

(₹ In Lakhs)

	March 31, 2022	March 31, 2021
(i) Equity shares		
(a) Final dividend paid for the year ended March 31, 2021: ₹ 10 (March 31, 2020 of ₹ NIL) per fully paid share.	2,323.24	-
(ii) Dividends not recognised at the end of the reporting period		
The directors have recommended the payment of a final dividend of ₹ 10/- (March 31, 2021 - ₹ 10) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	-
The Dividends declared / paid during the FY 2021-22 (PY 2020-21) are in compliance with Section 123 of the Companies Act, 2013.		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

36. ANALYTICAL RATIOS

Sr. No.	Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Change
1	Current Ratio	Current Assets	Current Liabilities	2.3	2.4	(4.5%)
2	Debt Equity Ratio	Long Term Debt (Incl. Lease Liabilities)	Total Equity	0.1	0.1	-
3	Debt Service Coverage Ratio	PAT + Depreciation + Finance Cost	Finance Cost + Loan Repayments	3.5	2.2	56.6% *
4	Return on Equity Ratio	Net Profit after Taxes	Total Equity	9.8%	8.1%	21.3%
5	Inventory Turnover Ratio	Net Sales of Products	Average Inventory	7.6	8.5	(10.3%)
6	Trade Receivable Turnover Ratio	Net Sales of Products	Average Trade Receivables	33.9	20.6	64.6% **
7	Trade Payables Turnover Ratio	Cost of Purchases	Average Trade Payables	10.8	10.2	6.7%
8	Net Capital Turnover Ratio	Net Sales of Products	Working Capital (Current Assets - Current Liabilities)	3.8	3.8	-
9	Net Profit Ratio	Net Profit	Revenue from Operations	12.8%	12.7%	0.8%
10	Return on Capital Employed	Earning Before Interest and Taxes	Capital Employed	13.3%	12.4%	7.1%
11	Return on Investment - Quoted Mutual Fund	Income Generated from Investment in Mutual Fund	Time Weighted Average Cost of Investments	4.0%	3.5%	14.0%

* Profit growth along with reduction in loan repayments resulted in an improvement in the ratio.

** Improvement in Trade Receivable Turnover Ratio is on account of better management of Receivables / Credit Policies.

37. RELATIONSHIP WITH STRUCK OFF COMPANIES

(₹ in Lakhs)

Sr. No.	Name of Struck off Company	Nature of Transaction	Relation with Struck off Company	Transaction During FY 2021-22	Balance Outstanding as on 31.03.2022	Balance Outstanding as on 31.03.2021
1	Koyali Carbotech Private Limited	Security Deposit	Vendor	-	0.10	0.10
2	Other Entities (a)	Subscription to Equity Shares	Equity Shareholder	-	0.11	0.11

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

(a) Details of other Struck off Companies Holding Shares of the Company as below:

Sr. No.	Name of Struck off Company	No. of Shares held as on 31.03.2022 (Paid Up Value ₹10 each)	No. of Shares held as on 31.03.2021 (Paid Up Value ₹10 each)
1	CTM Textiles Private Limited	50	50
2	Agents India Limited	75	75
3	K S M Investments Pvt Ltd	400	400
4	Prananjali Investments and Trading Co Pvt. Ltd.	81	81
5	Shri Brijraj Investments and Estates Private Limited	105	105
6	Idafa Investments Private Limited	50	50
7	Adarsh Textiles Industries Private Limited	340	340

38. PREVIOUS YEAR FIGURES HAVE BEEN RECLASSIFIED/ REGROUPED TO CONFORM TO THE THIS YEAR CLASSIFICATION.

As per our report of even date

For **Manubhai & Shah LLP**
Chartered Accountants
(FRN. 106041W/W100136)

DARSHAN SHAH
Partner
M.No. 131508

Mumbai, 26th May, 2022

As per our report of even date

For **Kirtane & Pandit LLP**
Chartered Accountants
(FRN. 105215W/W100057)

SANDEEP WELLING
Partner
M.No.: 044576

Mumbai, 26th May, 2022

For and on behalf of the Board of Directors

S. B. GARWARE
Chairman & Managing Director
DIN : 00943822

T. M. PARIKH
Director
DIN : 00049287

AWANEESH SRIVASTAVA
Company Secretary (ICSI M. No. FCS8513)

H. N. NIKAM
Whole-Time Director
DIN : 07517849

PRADEEP MEHTA
Chief Financial Officer
ICAI M. No. 049220

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

FORM AOC - 1

Statement pursuant to first provision to sub-section (3) of section 129 of the Companies Act, 2013, with rule 5 of the Companies (Accounts) Rules , 2014 in the prescribed FORM AOC - 1 relating to subsidiary companies

₹ In Lakhs

Sr. No.	Particulars	Garware Hi-Tech Films International Limited (GHFIL) (100% wholly owned by the Company)	Global Hi-Tech Films, Inc. (100% wholly owned by (GHFIL))
		2022	2022
1	Reporting Currency	GBP	USD
2	Exchange Rate considered at the close of the year	99.46	75.79
3	Share Capital	248.64	75.79
4	Reserves & Surplus	1,717.37	2,609.88
5	Total Assets	2,773.58	8,107.27
6	Total Liabilities	2,773.58	8,107.27
7	Investment	0.00	0.00
8	Turnover & other Income	9,501.53	36,880.69
9	Profit / (Loss) Before Taxation	824.02	1,846.52
10	Provision for taxation	84.25	506.38
11	Profit / (Loss) after taxation	739.77	1,340.14
12	Dividend Proposed / Paid	0.00	378.96
13	Country	U K	U S A

Notes :

- 1 The final Audited accounts of Garware Hi-Tech Films International Limited are in Great Britain Pounds (GBP) and translated at closing rate as on 31.03.2022 (₹ 99.455 = 1 GBP)
- 2 The final Audited accounts of Global Hi-Tech Films Inc. are in U S Dollars (USD) and translated at closing rate as on 31.03.2022 (₹ 75.7925 = 1 USD)



GARWARE HI-TECH FILMS LIMITED

(Formerly known as Garware Polyester Limited)

CIN: L10889MH1957PLC010889

Regd. Office : Naigaon, Post Waluj, Aurangabad - 431 133.

ATTENDANCE SLIP

(To be presented at the entrance)

Name of the Shareholder or Proxy _____

DP ID _____ Folio No. / Client ID _____

I/We hereby record my/our presence at the **65th ANNUAL GENERAL MEETING** of the Company held at the Registered Office of the Company at Naigaon, Post Waluj, Aurangabad – 431 133 on Tuesday, September 27, 2022 at 11.30 a.m.

Signature of the Member/Proxy

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PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 read with Rule 19(3) of the Companies (Management and Administration) Rules, 2014]



GARWARE HI-TECH FILMS LIMITED

(Formerly known as Garware Polyester Limited)

CIN: L10889MH1957PLC010889

Regd. Office : Naigaon, Post Waluj, Aurangabad - 431 133.

Name of the Member(s) : _____

Registered Address : _____

E-mail Id : _____

Folio No./Client ID No./DP ID No. : _____

I / We, being the member(s) of _____ Shares of Garware Hi-Tech Films Limited, hereby appoint

1. Name : _____ E-mail Id : _____
Address : _____ Signature : _____

or failing him/her

1. Name : _____ E-mail Id : _____
Address : _____ Signature : _____

or failing him/her

1. Name : _____ E-mail Id : _____
Address : _____ Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 65th Annual General Meeting of the Company, to be held on Tuesday, September 27, 2022 at 11.30 a.m. at Naigaon, Post Waluj, Aurangabad – 431 133 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	RESOLUTIONS	Optional*	
		For	Against
Ordinary Business			
1.	Adoption of Audited Standalone and Consolidated Financial Statements for the year ended 31 st March, 2022 with Directors and Auditors reports thereon.		
2.	Declaration of dividend on the equity shares for the financial year 2021-22.		
3.	Re- appointment of Ms. Monika Garware (DIN: 00143400), who retires by rotation and being eligible offers herself for the reappointment.		
4.	Re-Appointment of Joint Statutory Auditor of the Company		
Special Business			
5.	Ratification of Cost Auditor Remuneration.		

Signed this _____ day of _____ 2022

Affix Revenue Stamp Of ₹ 1/-

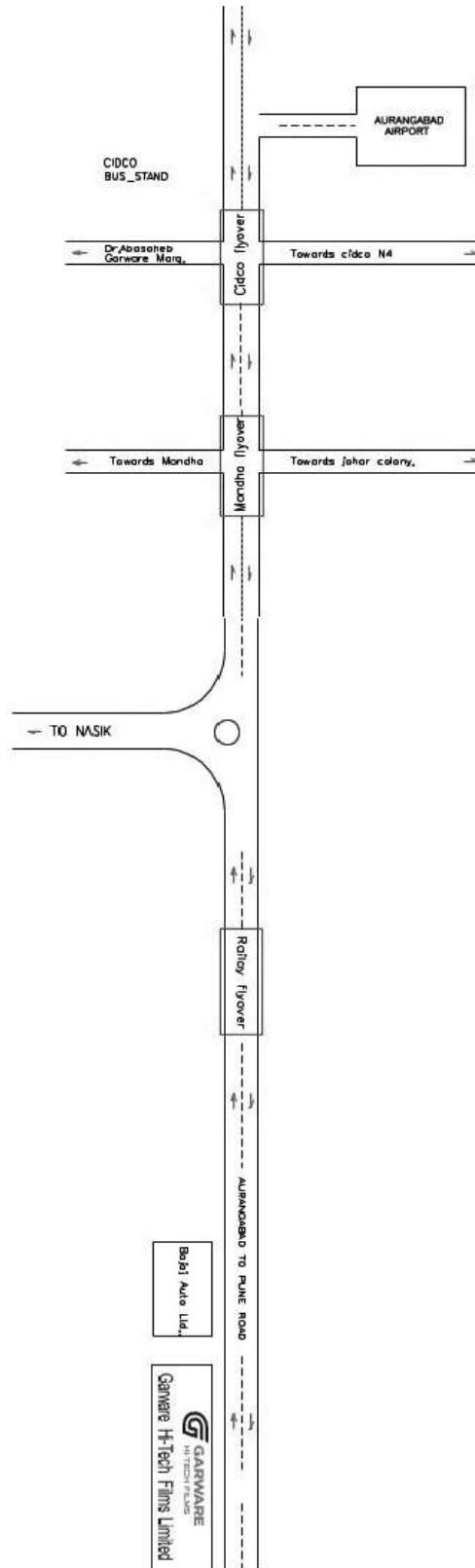
Signature of shareholder _____

Signature of Proxy holder(s) _____

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 65th Annual General Meeting.
3. *It is optional to put a ' X ' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.
5. Appointment of Proxy does not prevent a member from personally attending in person if he/she wishes.
6. In case of joint holder, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

ROUTE MAP FOR AGM



VENUE: AGM Hall,
Garware Hi-Tech Films Limited
Waluj, Aurangabad.

