



GARWARE SYNTHETICS LIMITED

30th May, 2019

To,
**The Corporate Relations Department,
Bombay Stock Exchange Limited,
PJ Tower,
Dalal Street, Fort,
Mumbai- 400 001**

REGD OFFICE & FACTORY
MANISH TEXTILES INDUSTRIES PREMISES
OPP GOLDEN CHEMICAL, PENKAR PADA
POST MIRA, DIST THANE - 401 104.
CIN: L99999MH1969PLC014371

TEL : 022-2845 6037 / 2845 7763
GRAMS : 'GARFLON'
WEB : www.garwaresyn.com
E-mail : garware.synthetic@gmail.com

Dear Sir/ Madam,

Ref: - Scrip Code: 514400

Sub: Outcome of the Board Meeting

We are pleased to inform the Stock Exchange that the Board of Directors at their meeting held on 30th May, 2019 at the registered office of the Company at Manish Textiles, Industrial Premises, Opposite Golden Chemical, Penkar Pada, Mira Road, Thane - 401104 has transacted the following Business:

- Approved and Adopted the Audited Financial Results of the Company for the Quarter and year ended 31st March, 2019.
- Approved Auditors report and statement of Assets and Liabilities as on 31st March, 2019.
- Re-appointment of Mr. Sunder Moolya as a Whole time Director of the Company for the period of 5 years w.e.f. 30th May 2019 subject to members approval in the upcoming Annual General Meeting.
- Considered and approved appointment of M/s. S.G & Associates as the Secretarial Auditor of the Company to conduct Secretarial Audit for the year 2019-20.
- Omnibus Approval for the Related Party Transactions for the financial year 2019-20.
- Other routine Business with the permission of the Chair.

Kindly acknowledge the receipt of the same.

For Garware Synthetics Limited,

**Sunder Kocha Moolya
Whole Time Director
DIN: 02926064**





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SR. NO.	PARTICULARS	As per IND -AS			Rs. In Lacs		
		Quarter Ended			Year Ended		
		31/03/2019	31/12/2018	31/03/2018	31/03/2019	31/03/2018	
			UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	AUDITED
I	Revenue from operations	266.34	274.21	250.34	1064.09	960.17	
II	Other Income	33.01	0.02	0.23	33.16	0.25	
III	Total Revenue (I+II)	299.35	274.23	250.56	1097.26	960.42	
IV	Expenses:						
	Cost of Material Consumed	149.00	153.29	165.94	632.50	563.16	
	Purchase of stock-in-Trade	0.00	0.00	0.00	0.00	0.00	
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	7.10	14.80	-18.64	5.09	-4.39	
	Employee benefits expense	55.61	47.27	38.26	193.44	156.48	
	Finance Costs	5.88	8.87	5.13	19.86	9.01	
	Depreciation and amortisation expenses	0.66	0.66	0.59	2.63	2.23	
	Other expenses	55.99	67.74	56.36	230.07	198.35	
	Total Expenses	274.23	292.62	247.66	1083.59	924.83	
V	Profit before exceptional and extraordinary items and tax (III - IV)	25.12	-18.40	2.91	13.66	35.59	
VI	Exceptional items	0.00	0.00	0.00	0.00	0.00	
VII	Profit before extraordinary items and tax (V - VI)	25.12	-18.40	2.91	13.66	35.59	
VIII	Extraordinary Items	151.15	0.00	0.00	151.15	0.00	
IX	Profit before tax (VII- VIII)	-126.03	-18.40	2.91	-137.48	35.59	
X	Tax expense						
	(1) Current tax	0.00	0.00	0.00	0.00	0.00	
	(2) Deferred tax	0.00	0.00	1.13	0.00	1.13	
XI	Profit (Loss) for the period from continuing operations (IX-X)	-126.03	-18.40	1.77	-137.48	34.45	
XII	Profit/(loss) from discontinuing operations	0.00	0.00	0.00	0.00	0.00	
XIII	Tax expense of discontinuing operations	0.00	0.00	0.00	0.00	0.00	
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	0.00	0.00	0.00	0.00	0.00	
XV	Profit (Loss) for the period (XI + XIV)	-126.03	-18.40	1.77	-137.48	34.45	
XVI	Earnings Per Share after extraordinary items (not annualised)						
	(a) - Basic	-2.17	-0.32	0.03	-2.37	0.59	
	(b) Diluted	-2.17	-0.32	0.03	-2.37	0.59	





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Particulars		As at 31st March, 2019 (Audited)	As at 31st March, 2019 (Audited)
I	ASSETS		
1	Non-current assets		
	(a) Property, Plant and Equipment	1047.09	1049.67
	(b) Financial Assets		
	(i) investments	0.00	0.00
	(ii) loans	0.00	0.56
	(iii) non current taxes	14.28	7.77
	(c) Deferred tax assets (net)	20.78	20.78
	(d) Other non-current assets	7.63	7.63
	Total Non Current Assets	1089.78	1086.41
2	Current assets		
	(a) Inventories	114.15	119.24
	(b) Financial Assets	0.00	0.00
	(i) trade receivables	116.65	129.91
	(ii) cash & cash equivalents	25.22	22.90
	Total Current Assets	256.02	272.06
	TOTAL ASSETS	1345.79	1358.47
II	EQUITY AND LIABILITIES		
A	Equity		
	(a) Equity Share Capital	580.89	580.89
	(b) Other Equity	-865.70	-728.22
	Total Equity	-284.81	-147.33
B	Liabilities		
1	Non-current liabilities		
	(a) Financial Liabilities		
	(i) borrowings	1227.16	1016.23
	(b) Provisions	46.15	55.48
	(c) Other non-current liabilities	2.00	2.00
	Total Non Current Liabilities	1275.31	1073.71
2	Current liabilities		
	(a) Financial Liabilities		
	(i) trade payables	201.55	194.63
	(b) Provisions	14.54	11.15
	(c) Current tax Liabilities (Net)	139.21	226.30
	Total Current Liabilities	355.30	432.09
	Total Liabilities	1630.61	1505.80
	TOTAL EQUITY AND LIABILITIES	1345.79	1358.47





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NOTES:

- 1) The above financial results has been reviewed and recommended by the Audit committee and approved by the Board of Directors at their meeting held on 30th May 2019. The financial result have been audited by the Statutory auditor of the company as required under regulation 33 of the Securities & Exchange Board of India (Listing Obligations and disclosure requirements) ("SEBI LODR") Regulations 2015.
- 2) This financial statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3) The Company is engaged in the Manufacturing business of "Nylon Bristles, Tubes and Rods" and therefore, has only one reportable segment in accordance with Ind AS 108 "operating Segments".
- 4) The previous period/years figures have been regrouped wherever necessary to correctly reflect current quarter's performance.

Place: Mumbai
Date: 30/05/2019



For Garware Synthetics Limited

Sunder Moolya
Whole Time Director
DIN: 02926064



GARWARE SYNTHETICS LIMITED

To,
Corporate Relationship Department
Bombay Stock Exchange Limited
1st Floor, New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, Fort,
Mumbai- 400 001

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Scrip Code: 514400 - Garware Synthetics Limited

Declaration pursuant to SEBI (Listing Obligation and Disclosure Requirements) (Amendment) Regulation, 2016

This is with reference to the Audit Report given by the Statutory Auditors of the Company dated 30th May, 2019 for the Quarter and Financial Year ending 31st March, 2019 we would like to inform that the Auditors have given an unmodified opinion in their Audit Report for the financial year ending 31st March, 2019.

For Garware Synthetics Limited

Sunder Moolya
Whole Time Director
DIN: 02926064





Krunal H Shah
B.com., FCA
Mob : +91 9870967170

Krunal H Shah And Associates

Chartered Accountants

Independent Auditor's Report

To
The Members of GARWARE SYNTHETICS LIMITED

Report on the standalone Financial Statements

Opinion

We have audited the accompanying financial statements of M/s. GARWARE SYNTHETICS LIMITED ("the Company") which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit or Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

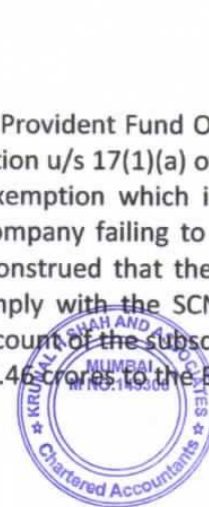
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and Statement of Profit or Loss, 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 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.

Key Audit Matter

The company had been issued a Show Cause Notice by Employees' Provident Fund Organization (Ministry of Labour and Employment, Govt of India) for cancellation of exemption u/s 17(1)(a) of EPF & MP Act, 1952 on 28/03/2018 for violation of various conditions for grant of exemption which includes the copy of notification for claiming exemption not being available and the company failing to submit the same to concerned authority. In light of evidences produced, it could be construed that the company had been unlawfully holding statutory funds of its employees. Thus, to comply with the SCN, the company was directed to transfer the funds to the statutory fund by closing the account of the subscribers by the close of financial year. The company has thus made aggregate payment of ₹2.46 crores to the Employees' Provident Fund Organization.



Emphasis on Matters

The Company has not appointed Internal Auditor as required under Section 138 of the Companies Act, 2013.

Our opinion is not modified in respect of these matters

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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 of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

Other Matter

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at **March 31, 2019**;
- b) In the case of the Statement of Profit and Loss, of the **Loss** for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

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.

- a. 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.
- b. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- c. In our opinion, the aforesaid 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.
- d. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, one of the director Mrs. Kavita Pawar is disqualified on 31st March, 2019 as per section 167(1)(a) read with section 164 of Companies Act, 2013.
- e. 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 A".
- f. 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 financial statements – Refer Note 27 to the financial statements
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Krunal H. Shah & Associates
Chartered Accountants
Firm Regn. No: 133038W



(Krunal H. Shah)
Proprietor
M. No.143308



Place: Mumbai
Date: 30/05/2019

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

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

Report on the Internal Financial Controls Over Financial Reporting 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 Synthetics Limited** ('the Company') as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is 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 (the 'Guidance Note'). 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 Act.

Auditors' 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India 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 the 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 auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements.

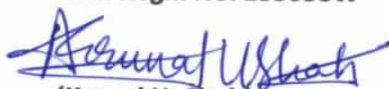
Inherent Limitations of Internal Financial Controls over Financial Reporting

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 controls 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, to the best of our information and according to the explanations given to us, 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 March 31, 2019, 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.

For Krunal H. Shah & Associates
Chartered Accountants
Firm Regn. No: 133038W


(Krunal H. Shah)

Proprietor
M. No. : 143308
Place: Mumbai
Date: 30/05/2019



ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Garware Synthetics Limited ('the Company')

- i. In respect of fixed assets**
- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed Asset.
 - (b) As explained to us, Fixed Assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - (c) As explained to us by the management and placing reliance on the certificate issued by the management, the title deeds of immovable properties are held in the name of the company. However the immovable property includes land & Building. The title of the same is under dispute and the case is pending with the court of law.
 - (d) *In our opinion and according to the information and explanations given to us, no substantial fixed asset has been disposed off during the year and therefore does not affect the going concern assumption.*
- ii. In respect of inventories**
- (a) As explained to us by the management and as observed by us, the inventory of raw material, finished goods stores and spares etc. has been physically verified during the year and specifically at the year-end by the management. In our opinion, the frequency of physical verification is reasonable having regard to the size and nature of business of the company.
 - (b) *In our opinion, the procedure for physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.*
 - (c) On the basis of examination of the records of inventory and placing reliance on the certificate issued by the management, we are of the opinion that the company is maintaining proper records of inventory and no material discrepancy was noticed on physical verification of the same.
- iii.** The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- iv.** In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees and security.



- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. The Central Government has prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act but such accounts and records have been not so made and maintained as total aggregate turnover of the company from all its production or service is not more than 35 Crore in the preceding financial year.

vii. **In respect of Statutory Dues**

- (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Goods and service tax, Excise Duty and other material statutory dues, as applicable, except Profession Tax with the appropriate authorities in India.
- (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, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes are as follows:

Sr No.	Financial Year	Bombay Sales Tax (BST)	Central Sales Tax (CST)	Income Tax	Forum where Dispute is pending
1	2001 - 02	34,80,294	7,70,246	-	Deputy Commissioner of Sales Tax
2	2002 - 03	33,16,840	11,15,852	-	Deputy Commissioner of Sales Tax
3	2003 - 04	62,22,840	50,98,890	-	Deputy Commissioner of Sales Tax
4	2004 - 05	19,48,300	9,46,532	-	Deputy Commissioner of Sales Tax
5	2011 - 12	-	-	23,35,540	Income Tax Appellate Tribunal
6	2012 - 13	-	-	14,11,930	Commissioner of Income Tax (Appeal)
7	2015-16	-	-	77,25,849	Commissioner of Income Tax (Appeal)

- viii. According to the records of the company examined by us and as per the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- ix. The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given to us, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

