

GARWARE-WALL ROPES LIMITED

34th Annual Report 2010-2011



Evolving, Enhancing, Excelling.

34th Annual General Meeting

Day & Date : Saturday, 24th September, 2011

Time : 10.30 am

Venue : Auto Cluster Auditorium,
Auto Cluster Development And Research Institute Limited,
H-Block, Plot No. C-181, Off Old Pune-Mumbai Highway,
Chinchwad, Pune - 411019.

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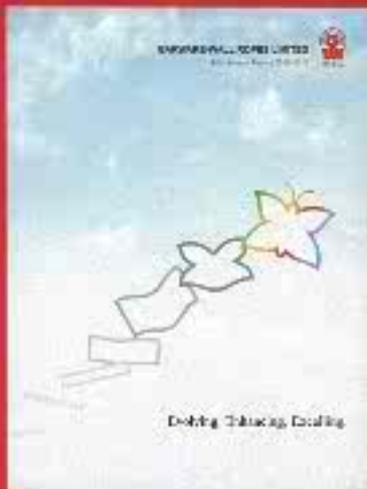


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Balance Sheet Abstract



GARWARE-WALL ROPES LIMITED



One of the leading India-based manufacturers and marketers of technical textiles, Garware-Wall Ropes has been continuously *evolving*, to offer its customers and end-users innovative solutions for *enhancing* their competitiveness. With well-established processes for *excelling* in all operations, from design to delivery and after-sales service, Garware-Wall Ropes has built a strong reputation for quality and reliability across the globe. The fruits of this commitment and effort were reflected in the Company's performance in FY 2010-11.

Highlights

FINANCIAL PERFORMANCE

- Turnover of Company increased from ₹ 451.70 crores in 2009-10 to ₹ 501.30 crores
- Company achieved record (22.5%) growth in exports sales
- Net profit after tax grew from ₹ 19.38 crores in previous year to ₹ 24.43 crores – year-on-year growth of 26%

NEW APPLICATION DEVELOPMENT

- HMWPE ropes for tower erection and pulling of conductors in transmission segment
- Wide range of ropes with floating and sinking properties for fishing applications
- Variety of nets for agriculture
- Camouflage nets for defence sector
- Coated fabrics for covering and lining in a variety of applications

FIRSTS IN INDIA

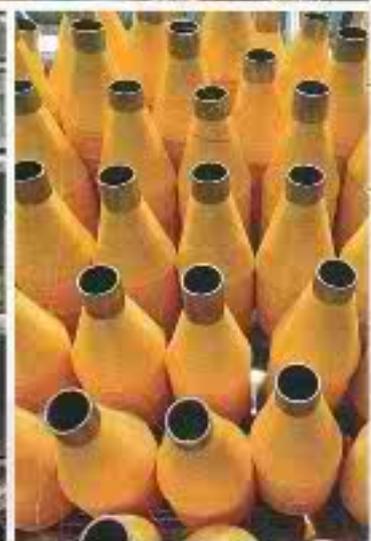
- Hazardous landfill capping in Vizag, Andhra Pradesh
- 70-foot tall gabion wall installed in Langigarh, Orissa
- 1.4-km long geo-tube sea wall in Uppada, Andhra Pradesh

QUALITY SYSTEM

- Upgraded ISO certification to ISO 9001-2008
- Enhanced quality orientation at all levels

ONGOING FUTURE-LOOKING INITIATIVES

- Asset optimisation
- New products development
- Developing new business segments
- 'Kaizen' to improve throughput and quality standards



Corporate Information

Founder Chairman

- Late Shri B. D. Garware

Board of the Directors

- R. B. Garware - Chairman & Managing Director
- S. M. Kuvelker - Vice Chairman
- Dr. V. B. Lele
- S. N. Talwar (Alternate to Dr. V. B. Lele)
- Ms. Diya Garware Ibanez
- R. M. Telang
- S. P. Kulkarni
- V. R. Garware - Whole-time Director

Company Secretary

- A. S. Wagle

Bankers

- Bank of India
- Bank of Baroda
- Bank of Maharashtra
- Royal Bank of Scotland N.V.
- HDFC Bank Ltd.
- IDBI Ltd.

Auditors

- Patki & Soman, Chartered Accountants

Solicitors and Advocates

- Talwar Thakore & Associates

Share Transfer Agent

Link Intime India Pvt. Ltd.
 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road,
 Near Ganesh Temple, Pune - 411 001.
 Tel : +91-20-2605 1629 Telefax : +91-20-2605 3503

Registered Office

Plot No. 11, Block D-1, MIDC, Chinchwad,
 Pune - 411 019.
 Tel : +91-20-3078 0000 Fax : +91-20-3078 0341
 Website : www.garwareropes.com

Mumbai Offices

- Chowpatty Chambers, Sandhurst Bridge,
 Mumbai - 400 007. Tel : +91-22-2363 1388
- 39, S. K. Hafizuddin Marg, Byculla,
 Mumbai - 400 008.
 Tel : +91-22-2309 1164 / 68

Foreign Branch

Narrows Reach Business Centre,
 6102 North 9th Street,
 Unit#500, Tacoma, WA 98406, U.S.A.





From the Chairman's Desk



Dear Stakeholders,

I am happy to present the Thirty-Fourth Annual Report of Garware-Wall Ropes Limited for the Financial Year 2010-11.

I am pleased to report that compared to the previous year, your Company achieved satisfactory financial performance. The performance has to be viewed against the backdrop of high volatility in the prices of our key raw materials that was witnessed during the year as well as increase in other costs such as wages, electrical power, fuel, etc.

The Company recorded a turnover of ₹ 501.30 crores, which is an increase of 11% over the previous year. Profit after tax rose by 26% to ₹ 24.43 crores. The significant increase in profitability was mainly because of higher export sales, which were up by 22.5%, compared to the previous year, and greater focus on promoting high-value added products.

Looking at the overall financial performance and other factors, your Board of Directors has recommended a dividend of 25%.

As you would be aware, your Company is one of the leading Indian manufacturers of technical textiles, which have a wide range of applications. Superior to conventional materials in terms of durability, reliability, ease of handling and cost-effectiveness, technical textiles have immense scope in the future. Your Company's strategy is to capitalise on this growing demand through user-focused R&D with emphasis on value addition to our customers.

As an on-going exercise, during the financial year 2010-11, specific applications with good market potential were identified and the markets were successfully tapped. An example is the development of customised cages for the growing aquaculture industry. Looking ahead, we have identified some more application areas with promising prospects and a dedicated team has been set up to develop appropriate solutions.

“

The Company recorded a turnover of ₹ 501.30 crores, which is an increase of 11% over the previous year.

Profit after tax rose by 26% to ₹ 24.43 crores.

”



In the FY2010-11, we successfully executed challenging projects, such as constructing a sea wall made from geo bags of geosynthetic material at an upcoming port near Hazira in Gujarat. Awareness about the inherent benefits of geosynthetics is increasing across many sectors and we are geared to meet the demand of different market segments. We also foresee good demand for technical textiles in the areas of agriculture, water conservation, defence and transportation. Efforts to establish ourselves in these segments would be stepped up. We already have a notable presence in the fisheries, shipping, sports and leisure segments, which would be enhanced.

“
During the year,
we commenced work at
our Wai plant
for setting up a new
manufacturing facility
for coated fabrics.
”

During the year, we commenced work at our Wai plant for setting up a new manufacturing facility for coated fabrics. A very tough mesh-fabric that offers protection against water and resistance to dirt, chemicals and ultra violet radiation, the product has a wide variety of applications. Production has commenced in the current year and we are initially marketing the product in the road transport segment.

Overall, FY2010-11 can be described as a year of recovery from the effects of worldwide economic crisis in past years in different business segments. We are confident that this strategy, coupled with our financial strength and initiation of new business lines, will enable us to weather cyclical swings in specific sectors and our growth momentum would be sustained.

I take this opportunity to acknowledge the hard work and team effort put in by all our employees, and the support we have enjoyed from our stakeholders. Your continued goodwill greatly encourages us in our efforts to take your Company to a more rewarding future.

With warm regards,

R. B. Garware
Chairman & Managing Director

Directors' Report

FOR THE YEAR ENDED 31ST MARCH, 2011 TO THE MEMBERS,

Your Directors have pleasure in presenting the Thirty-Fourth Annual Report and Audited Accounts of the Company for the year ended 31st March, 2011.

(₹ in Lacs)

■ WORKING RESULTS:

	Year Ended 2010-2011		Year Ended 2009-2010	
Profit Subject to Depreciation & Taxation	4,605.02		3,896.50	
Less: Depreciation, Net of Transfer from Revaluation Reserve	1,483.98		1,292.42	
Profit Before Tax		3,121.22		2,604.08
Less: Provision for Taxation				
Current Tax	620.91		523.33	
Deferred Tax	54.18		138.73	
Wealth Tax	2.86	677.95	1.00	666.06
Profit After Tax		2,443.27		1,938.02
Add: Profit Brought Forward from the Previous Year		8,880.91		7,830.33
Amount Available for Appropriation		11,324.18		9,768.35
Appropriations				
Proposed Dividend	592.71		592.71	
Tax on Proposed Dividend	96.17		100.73	
General Reserve	245.00	933.88	194.00	887.44
Balance in Profit & Loss Account		10,390.30		8,880.91
		11,324.18		9,768.35

■ 2010-2011 THE YEAR UNDER REVIEW:

Your Company recorded a turnover of ₹ 501.30 crores for the year ended 31st March, 2011, as against ₹ 451.70 crores in the previous year. Domestic Sales stood at ₹ 314.64 crores. Export Sales rose to ₹ 186.66 crores, achieving year-on-year growth of 22.5%. This rise in exports is attributable to the continuation of successful implementation of the Company's marketing strategy aimed at demand creation, with focus on value-added new products, tapping new markets, addition of new customers, etc.

Despite the trend of rising oil prices over the year, resulting in increased raw material cost, the Company

earned Net Profit after Tax of ₹ 24.43 crores as compared to ₹ 19.38 crores in the previous year, with year-on-year growth of 26%.

■ DIVIDEND:

Your Directors have recommended a dividend at 25% (₹ 2.5 per share) for the year 2010-2011 for your consideration. The proposed dividend will absorb (including Dividend Tax) an amount of ₹ 688.88 lacs.

■ DIRECTORS:

Pursuant to Article 133 of the Articles of Association of the Company, Mr. S. M. Kuvvelker and Ms. Diya Garware Ibanez retire by rotation and being eligible, offer themselves for re-appointment.



■ DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm:

1. that in the preparation of the annual accounts, they have followed the applicable accounting standards;
2. that 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 31st March, 2011 and of the profit of the Company for the year ended 31st March, 2011;
3. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. that they have prepared annual accounts on a going concern basis.

■ FIXED DEPOSITS:

The Company did not accept any fixed deposits during the year under review. There are no claimed unpaid deposits.

■ INFORMATION PURSUANT TO SECTION 217(1)(E) OF THE COMPANIES ACT, 1956:

Information in accordance with Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors Report is given at 'Annexure I'.

■ PERSONNEL:

The relations with employees at all levels continued to be cordial throughout the year.

■ PARTICULARS OF EMPLOYEES:

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, is enclosed at 'Annexure II' and forms part of the Directors' Report.

■ JOINT VENTURE:

The Company plans to enter into environmental services business, allied to the Company's geo technical business. Towards this end, the Company and Waste Management Pacific Pty Ltd., Australia, (WMP), (a wholly owned subsidiary of Transpacific Industries Group Ltd., Australia) have entered into Joint Venture Agreement inter-alia providing equity share capital holding, in the ratio of 50:50, in the Garware Environmental Services Private Company (GESPL). The Company and WMP have invested in the equity capital of the GESPL accordingly. GESPL is yet to start its commercial operations.

■ CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Management Discussion and Analysis, Corporate Governance as well as the Auditor's Certificate regarding compliance of conditions of Corporate Governance is set out in Annexure forming part of this report.

■ CORPORATE SOCIAL RESPONSIBILITY:

As a part of social responsibility, your Company continues to be supportive and is actively participating in various activities of social benefit and cause. It has been helping in setting up ancillary units. The sphere of activities includes organising health camps, blood donations camps, summer vacation camps, tree plantation drive, etc. The Company also supports schools and colleges by providing them educational tools and sports gear like sports nets.

■ ACKNOWLEDGMENTS:

Your Directors gratefully acknowledge the support given by the Customers, Dealers, Distributors, Suppliers, Bankers, various departments of the Central and State Governments, Local Authorities and also the Shareholders of the Company.

Your Directors would further like to record their appreciation for the unsinted efforts put in by all Employees of the Company during the year.

On behalf of the Board of Directors,

Pune,
28th May, 2011

R. B. GARWARE
Chairman & Managing Director

ANNEXURE I TO DIRECTORS' REPORT 2010-11

As per Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2011.

A. CONSERVATION OF ENERGY:

- i) The Company constantly takes effective steps towards energy conservation. Installation of various energy saving devices, replacement of Thyristorised DC Drive by AC Drive, installation of light energy savers, change in the power distribution layout, replacement of street lights by energy saving light fixtures, fixing of timers, etc. were some of measures taken by the Company during the year.
- ii) The Company is not covered by Schedule of Industries which are required to furnish information in Form 'A'.

B. TECHNOLOGY ABSORPTION:

Efforts made in technology absorption as per "Form B" of the Annexure to the rules:

Research & Development:

- 1. Specific areas in which R & D activities are carried out by the Company:
The Company has a well-equipped R & D Laboratory recognized by The Department of Science and Technology, Government of India. Main thrust of R & D has been the development of new products, both ropes and nettings with different / new applications.
- 2. Benefits derived / to be derived as a result of the R & D activities:
New products help the Company to tap new market / customers. It also helps the Company to provide solutions meeting customers' requirements.
- 3. Future Plan of Action:
The Company has invested resources in developing sophisticated next generation products.
- 4. Expenditure on R & D: (₹ in lacs)

a) Capital	100.66
b) Revenue / Recurring	31.09
c) Product Development Expenditure	<u>200.10</u>
d) Total	<u>331.85</u>
e) Total of R & D as a Percentage of total turnover	0.66%

Technology Absorption, Adaptation and Innovation:

The Company does not employ any foreign technology, which needs absorption or adaptation. The Company has developed various new products.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- 1. Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.
Your Company is the country's largest manufacturer and exporter of Synthetic Cordage and Netting. The Company has earned net foreign exchange of ₹ 10,302.41 Lacs during the year. Your Company is a Government recognized 'Export House' and has received Export Awards for its excellent performance.
- 2. Total Foreign Exchange earned and used: (₹ in lacs)

A. Total Foreign Exchange earned:	<u>18,666.04</u>
Total value of exports	<u>18,666.04</u>
B. Total Foreign Exchange used:	
a) Import of raw materials stores & spares, traded goods and capital goods	7,549.63
b) Expenditure in foreign currencies for business travel, subscription, professional fees, commission on export sales, and overseas branch expenses, etc.	<u>814.00</u>
	<u>8,363.63</u>

On behalf of the Board of Directors,

Pune,
28th May, 2011

R. B. GARWARE
Chairman & Managing Director

**ANNEXURE II TO DIRECTORS' REPORT**

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended and forming part of the Directors' Report for the year ended 31st March, 2011.

Sr. No.	Name of the Employee	Remuneration Received ₹	Designation	Qualification	Age in years	Experience in Years	Date of Commencement of Employment	Last Employment held, Name of Employer, Post held & Period
1.	Mr. R. B. Garware	5,407,000	Chairman & Managing Director	Education in a Public School called Dulwich College, U.K., Graduated with Honors Degree in Moral Sciences & Law from Jesus College, Cambridge. Brief Course in French at Sorbonne in Paris.	70	47	01.11.2006	—
2.	Mr. V. R. Garware	7,600,634	Whole-time Director	Graduate Cum Laude in BSc Economics (Specialisation in Finance) from Wharton Business School of University of Pennsylvania, U.S.A.	39	16	07.12.1965	—
3.	Mr. M. V. Subbarao	6,077,302	President	B.Tech., Madras, Post Graduate Diploma in Business Management from XLRI, Jamshedpur	60	31	11.12.2002	FDIte industries Ltd, President Business Planning

Notes:

1. Remuneration received includes Salary, House Rent Allowance, Company's contribution to Provident Fund / Family Pension Fund, Superannuation, Bonus, Medical benefits, LTA & Other perquisites.
2. In addition to the above remuneration, employees are entitled to Gratuity in accordance with the Company's rules.
3. Designation represents nature of duties.
4. The nature of the employment in all cases is contractual.
5. Mr. R. B. Garware and Mr. V. R. Garware are related to each other and both are also related to Ms. Diya Garware Ibanez, Director.

On behalf of the Board of Directors,

Pune,
28th May, 2011

R.B. GARWARE
Chairman & Managing Director

Management Discussion and Analysis

■ Overview of Company

The flagship company of the RBG Group, Garware-Wall Ropes Ltd. (GWRL) is one of the leading India-based manufacturers and marketers of technical textiles. The Company manufactures a variety of high-density polyethylene (HDPE) and nylon nets, polypropylene ropes and geosynthetic materials for use in fishing, agriculture, infrastructure, transportation, sports, defence and other application areas. Continuously expanding its product range, the Company has developed several pathbreaking products.

GWRL's customer and user base is geographically and sectorally widespread. The Company's users include fishermen, farmers, shipping companies, ports, transporters, associations, construction companies, governments, municipalities, defence establishments, co-operatives and manufacturing plants. For each customer and user type, the Company provides application-specific, high quality and value adding solutions. Customers are serviced directly and through an expanding network of distributors and dealers in India and overseas. The Company has a branch and warehouse in the US.

The largest Indian manufacturer of HDPE fishnets, twines and ropes, GWRL holds a dominant share of the domestic market for these products in the mechanised fishing segment. These products also enjoy good demand in overseas markets.

GWRL's main export markets are USA and Europe and export revenues contribute approximately 40% of the total revenues.

While GWRL's products for the fishing industry historically accounted for the major part of its revenue, the Company has, through application-focused innovation, established and expanded its presence in

other sectors. In recent years, the major part of GWRL's sales growth has come from new product lines and value-added products.

■ Business Environment in FY 2010-11

The impact of a global financial crisis was considerably reduced in FY2010-11, with stimulus packages and other measures showing encouraging results in the developed world, especially in some European countries. The earlier situation of subdued demand changed for the better and demand picked up globally, resulting in a robust order book position for the Company. As discussed later, the Company could successfully tackle the challenge of frequent fluctuations in prices of raw materials.

The Indian economy continued to grow at a healthy pace. GDP grew by 8.6%, with good growth in sectors like manufacturing, construction, transportation, real estate, trade, communication, and a revival in the agriculture sector.

The domestic fishery industry witnessed modest growth. Growth in mechanised trawling, which uses HDPE fishnets, was also moderate. Globally, growth in the fishing industry is seen mainly in the aquaculture sector, for which the Company has started providing customised cages. Due to outbreak of a virus, export of salmon from Chile continued to be affected. This encouraged salmon-farmers in North America and Europe to step up their efforts. GWRL could benefit from this development.

■ Opportunities and Threats

GWRL manufactures premium products that enjoy dominant market share in the domestic fish-net, ropes and twines business. The Company has a highly diversified customer and user base, with geographical



presence in many parts of India and around 80 countries across the globe. The Company enjoys a healthy financial position. It has a track record of application-focused innovation, which has enabled it to penetrate new market segments, sectorally and geographically. These strengths enabled the Company to tap emerging opportunities.

Increasing share of Indian manufacturers in the global marketplace and awareness of the benefits of using technical textiles in agriculture, transportation and civil construction presents a big opportunity for the Company. Growing realisation about the need to use land and water resources with maximum efficiency would increase demand for technical textiles, for applications such as precision farming and water harvesting. Demand from the sports and leisure segment is increasing.

Aquaculture is buoyant in USA, Canada and Europe, providing good demand for strong and lightweight customised cages. In purse seine and trawl fishing segments, there is growing appreciation of the benefits of fuel savings and ease of handling provided by lightweight nylon and HDPE nets. Exports of Indian marine products are growing and will increase demand for quality fishing nets and ropes from the mechanised fishing industry. For mooring and towing applications, demand for strong, easy-to-handle and durable ropes is increasing.

An inherent weakness in the Company's line of business is high working capital requirement due to a wide range of products. The Company's products are made from polymers and hence exposed to volatility in the international market and price of petroleum products. Markets for some of the Company's products are characterised by intense competition. As exports account for about 40% of the Company's revenues, it is exposed to downtrends in the global economy, particularly in the marine fishing industry. GWRL faces the challenge of availability and cost of manpower,

which is a common cause of concern of the Indian manufacturing sector.

As in the case of other companies with Export-Oriented Units (EOU), the Company's post-tax profit will be impacted by withdrawal of tax benefits for EOUs.

■ Company's Performance in FY 2010-11

GWRL registered a turnover of ₹ 501.30 crores for the year ended 31st March, 2011, an increase of 11% over the previous year's turnover. Export sales accounted for 37% of the total sales. Compared to the previous year, export sales rose by 22.5%. Noteworthy growth was achieved in the Norway and Canada markets. Profit after tax in the year under review was ₹ 24.43 crores, an increase of 26% over the previous year.

Profitability was enhanced in the face of severe volatility in prices of raw materials, which fluctuated quite frequently during the year. The situation was tackled through a dual strategy of hedging to offset the risk of adverse price movements, and passing on some cost increases to customers.

Higher profit realisation was achieved particularly through increased exports and growth in sales of products for industrial and sports applications. By expanding its network of supply chain partners, the Company could reach out to a larger number of customers, geographies and business segments. In the sport nets business, the Company added new customers and garnered a larger share of demand from existing customers. In infrastructure applications, the Company enhanced its presence as a specialist provider of geosynthetic-based solutions.

In the global fishing industry, GWRL succeeded in getting a major breakthrough into the north Europe market for large purse seines. Recently, the Company has started manufacturing Plateena brand ropes and nets made from Dynocerna fibre, which is as strong as steel but with only one-sixth the weight. In FY

2010-11, the Company executed orders for Plateena products in various part of the world, including Russia.

■ Key Financial Indicators

- The operating profit ratio of the Company is 5.75%
- The current ratio of the Company is 1.38
- The Company has a debt-equity ratio of 1.18

■ Risks and Concerns

Stability in raw material prices is critical for any manufacturing company. Lack of stability in petroleum prices is a matter of concern. The Company is countering the situation externally through continuous dialogue with customers, and internally through across-the-board sensitisation on cost control and management.

Availability, cost and quality of labour is another area of concern. The Company is using tools such as 'LEAN' to improve the efficiency of its valuable human resource.

■ Internal Control Systems

The Company has a robust set of management policies, aligned to values shared through the entire organisation, coupled with a well-structured budgetary control system and internal controls, to mitigate various types of risks effectively. Systems are in place to control key business parameters.

■ Human Resources Management

People are the most valuable asset of the Company. The Company's employees have been the cornerstone of strong performance even in the most adverse conditions. Strong alignment of all people at all levels with organisational mission and values, and constant communication of challenges, opportunities and processes for daily management, has helped build a

strong team that is geared to perform continuously. Outstanding performance is acknowledged and rewarded. All employees, including workmen, share a strong sense of family bonding and commitment towards the well-being of the Company.

Cautionary Statement:

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.



Expanding Frontiers through Applied Innovation

The flagship Company of the RBG Group, Garware-Wall Ropes Ltd. (GWRL) is one of the leading India-based manufacturers of technical textiles. Used basically on account of specific physical and functional properties, technical textiles have a wide range of applications, in fisheries, agriculture, horticulture, civil engineering, transportation, oil exploration, packaging, environmental protection, sports and leisure, and defence; in homes, factories, business establishments; indoors and outdoors. With advanced manufacturing facilities at two locations in western India, and dedicated R&D centres, GWRL offers international-standard products and customised solutions for many of these applications.

The Company manufactures all the major types of polypropylene ropes, nylon and high-density polyethylene nettings, twisted and braided twines, and geo-synthetic products. Over a period of 30 years, GWRL has built a strong reputation for consistency and reliability of products for critical applications.

The Company has been continuously expanding its product range through application-focused innovation. Showcased in the next few pages are some recent innovations that enhance value for customers, address challenging problems, and meet existing or emerging needs efficiently.



A Prize Catch in North Europe

Osterbris, an 8000 HP, 12-meter wide and 68-meter long Norwegian trawler, is one of the largest high-tech fishing vessels in the world. Operating in the deep North Atlantic seas, it reported a record catch of 1,100 tons in August 2010, creating a major buzz in the country's fishing industry and media. The high-value catch was possible because the vessel was equipped with a high-tech purse seine net of 47,000 kg, fabricated for extremely demanding service conditions by Garware-Wall Ropes. Though stronger than conventional nets, the net was lighter, enabling faster sinking and easier pulling out.

The net was yet another application-focused product manufactured by Garware-Wall Ropes, under its 'Endura' brand. The success recorded by Osterbris in its maiden outing with the GWRL net led to a rush of enquiries for similar products from fishing companies across the North Atlantic.



GWRL's high-tech purse seine net was officially handed over to Osterbris by Mr. Hanspetter (MD, Selstad), Mr. Subbarao and Mr. Karwol Malik from GWRL in August 2010 at Maloy Port, Norway.



Capturing a Fast Growing Market

Aquaculture, or the farming of fish and other aquatic organisms in controlled freshwater or saltwater conditions, is witnessing buoyant growth in many parts of the world, especially in the US and Europe. Between 1995 and 2007, production of farmed fish across the world nearly tripled in volume, and is now estimated to account for around half the fish consumed globally. The growth is spurred by factors such as growing demand for proteins and healthy omega-3 fatty acids found in oily fish like salmon and tuna.

Garware-Wall Ropes is geared to meet critical needs of aquaculturists who are cashing-in on this demand. They require strong, durable and lightweight cages that offer protection from predators. Leveraging its highly skilled manpower and workmanship, Garware-Wall Ropes has fabricated and delivered superior-quality cages for marine, pond and brackish water environments. Available in a variety of shapes and sizes, as self-designed or customised

products, the cages comply with stringent international standards; they are UV-treated, durable and designed for minimal abrasion. The Company has made major inroads with this product range in Norway, Scotland and Canada. The cages are also used in New Zealand and Australia.



Pioneering Sea Walls

An LNG terminal being built in the Arabian Sea at Hazira, Gujarat, by the Adani Group features a unique sea wall of about 3 km. While sea walls are generally built using boulders or reinforced concrete, the Adani port has a sea wall whose core is made entirely of geosynthetic material. Designed and engineered by Garware-Wall Ropes, the solution is cost effective and could be installed quickly. No quarrying or civil construction was involved in the construction of the core; it is thus an environment-friendly structure. An additional benefit is that the solution requires little maintenance.

A similar kind of sea wall is installed by the Company in the Bay of Bengal, off Uppada village in East Godavari district of Andhra Pradesh (AP). The 1.4-km long geotextile-tube wall is designed to absorb the pressure of huge waves, and allow water to pass through. The sea wall is an effective embankment against incessant tidal waves and rough cyclonic storms. It has provided protection against



constant erosion due to surging waters, which threatened to sweep away coastal habitations of fisherfolk. The effectiveness of the solution was proved when it protected Uppada from Cyclone Aila, which caused extensive damage in eastern India and Bangladesh in 2009.

The AP government is considering installation of similar solutions in other cyclone-prone areas. Officials of several states with long coastlines have visited the site, to initiate similar projects.



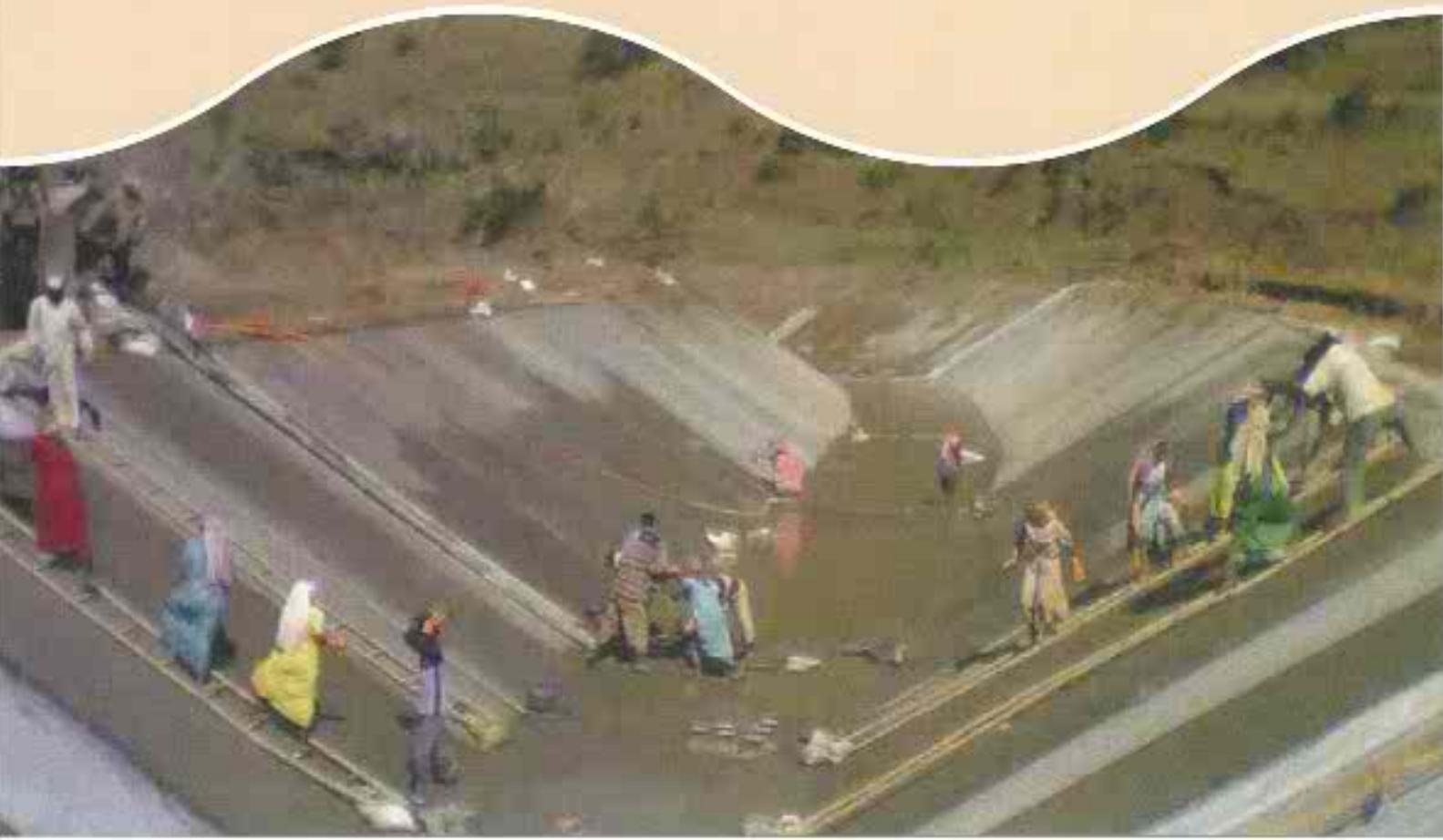
Saving Water, Saving Costs

The world faces the prospect of acute water scarcity. The biggest challenge is to optimise use of water in agriculture, which consumes 70 times more water than domestic applications. In India, a major area of concern is seepage loss in irrigation channels. Large losses through the bed and sides of unlined canals lead to low conveyance efficiency: the ratio of water reaching farms to that released at the source. Earthen canals also get clogged with weeds. While lining of canals by brick and concrete can greatly overcome these problems, the solution is costly, requires much maintenance and is short-lived if high construction standards are not met.

Geomembrane – a kind of geosynthetic material composed of impermeable polymer membranes – engineered by Garware-Wall Ropes is a cost-effective alternative. Geomembrane has been installed at sites such as canals of the ongoing Doodhganga irrigation

project, which has headworks in Kolhapur district of Maharashtra. The Company's solution has brought down seepage to a level of less than 0.5%. This means the same quantum of water is transported for a longer distance and brings more land under cultivation. Irrigation time is cut down, and the problem of erosion and weeds is reduced. Moreover, the impermeable membranes prevent water seepage, which can render lands near the canal saline and unfit for agriculture.

Certified by government authorities, the solution from Garware-Wall Ropes will find application in many other irrigation projects.



Netting Higher Value in Agriculture

Due to global warming, rising population pressure and increasing scarcity of water, there is an urgent need to maximize agriculture productivity from limited land resources. In response to this challenge, precision agriculture in fully or partially controlled environments is a fast-growing practice. In this context, high-quality nettings made from plastic materials play a critical role. The nettings provide climatic control (for protection against hail, strong winds, and excessive sunlight) as well as biological control (protection against insects and birds). Garware-Wall Ropes is equipped to meet this demand. The Company manufactures international-quality nettings that are heat set, UV-stabilised, resistant to algae and microorganisms, and dimensionally stable for enhanced life. The nettings are used for a variety of purposes: to give physical support to crops, to give full protection against birds or hail and to decrease the effect of sunlight and harmful UV rays.

Manufactured from specially extruded high-density polyethylene monofilament yarn, with advanced UV stabilisation, the nets are knitted on state-of-the-art German machines. The product has a unique property of light diffusion: according to the colour, a variable light spectrum is created around the plant, thereby stimulating photosynthesis. Overall, the nettings enhance the micro-environment around plants and enable higher productivity.



Waterproofing Goods in Transit and Storage

In many parts of India, goods in transit or in storage spaces are vulnerable to damage due to exposure to rain and other sources of water. Garware-Wall Ropes has started manufacturing a proven and cost-effective solution to this problem. PVC-coated polyester fabric made by the Company is a very tough mesh-fabric that offers assured protection against water. The material is also resistant to dirt, chemicals and ultra violet radiation.

PVC-coated polyester fabric has a number of other applications: as high-performance material for architectural structures; for covering vehicles or goods kept in the open; and as the basic material of tents, haul bags and dry bags.

Garware-Wall Ropes' new plant for manufacture of coated fabrics is equipped with a twin-head-knife-blade coating line capable of producing about 3 million square metres of coated fabrics annually. The coating line is equipped



with coating and curing facilities to handle high-performance technical textile products, with features such as UV, FR, rodent, fungus and termite resistance. Tarpaulins and accessories are made according to customer requirements.



Words of Appreciation



Workmanship and materials of the highest quality

“

We at A Raptis & Sons P/L have been buying net material and nets/trawls from Garware-Wall Ropes Ltd for our fleet of 4 fish trawlers and 10 shrimp trawlers for the past 9 years.

I have found the workmanship and materials to be of the highest quality and the best price available. With the increasing stability in the fishing industry in Australia, we have upgraded to Sapphire material with outstanding results in catch rates and the life of the trawls/nets.

”

Phil Robson

Fleetmaster (Northern Fleet), A Raptis & Sons P/L, Australia

Ensuring premium products

“

Garware-Wall Ropes has been supplying New Zealand King Salmon with underwater predator nets since 2004 and more recently with grower nets, bird nets and mesh for top fences.

The nets ensure our king salmon grow in a predator-free, clean environment in all our farms. The protection the nets provide ensures that we are able to deliver our premium food delicacy year-round to our valued customers in Sydney, Tokyo, New York and the Middle East.

”

Mark Preece

GM-Aquaculture, New Zealand King Salmon



Containing sea erosion

A 2-km long geotextile-tube wall engineered and installed by Garware-Wall Ropes in the Bay of Bengal, off Uppada village in East Godavari district of Andhra Pradesh, is an effective embankment against incessant tidal waves and rough cyclonic storms. The solution protected Uppada from the devastating Cyclone Aila in 2009.

“

Geotextile-tube wall constructed from Subbampeta village, on outskirts of Uppada, to Mayapatnam village, on outskirts of Ameenabad, has largely benefited and withstood the constant erosion by the rough tides of Bay of Bengal. Ever since the construction of geotextile-tube wall, the erosion has been largely contained. The constructed structure of geotextile-tube wall at Uppada has been visited by dignitaries of other states to initiate similar projects in their states to protect their erosion-prone coasts.

”

Senior Dignitary
Government of India



Much appreciated by crew and pilots

About 170 km from Bhubaneswar, the new Dhamrah port in Orissa is a 50:50 joint-venture between Larsen and Toubro (L&T) and Tata Steel. The port has an 18-km channel and two berths of 350-metres each, with a handling capacity of 25 million tonnes per annum.

The first cargo ship **GARWARE PLATEENA** berthed at the port on Sep 18, 2010. The ship, Yin Pu, which had carried around 23,000 tonnes of coal from Australia, was moored using GWRL's 'Plateena' ropes. Easy to handle, and requiring less manpower, the ropes ensure faster turnaround of cargo and clean deck-greasing.

“

I must congratulate you all on the 'Plateena' product as the same has been much appreciated by the crew and pilots due to the ease of handling.

”

Tamal Roy

VP, Business Development,
TM International Logistics Ltd.,
A subsidiary of Tata Steel Ltd.



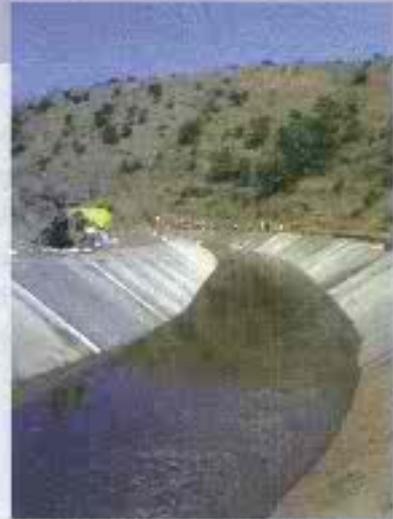


Purpose fully achieved

“ Garware-Wall Ropes Ltd has completed the work of geosynthetic canal-lining, in Doodhganga Right Bank Canal at km no. 5, from chainage 4510 m to 4633 m and at km no. 7 from chainage 6500 m to 6630 m. It is hereby certified that because of geosynthetic canal lining work, all leakage of water from the said canals has been completely stopped, in the area covered by the work executed by Garware-Wall Ropes Ltd. The whole purpose of geosynthetic canal-lining has been fully achieved. ”

Executive Engineer
Doodhganga Canal Division, Kolhapur, Maharashtra

(Transcribed from Marathi)



Net for any weather, any sea, any fish

“ We have been using 'Garfil' nets for many years. They are smooth, soft and very strong. They last long, and are of very high quality. 'Garfil' nets trawl in good speed. They have wider mouth opening and can withstand good load. The nets have less abrasion. 'Garfil' is a type of net for any weather, any sea and any fish. We have recently started using 'Garfil STR' nets which are giving us superior benefits in all aspects as compared to 'Garfil'. ”

Govind
Fisherman, Chennai



We did not have to worry

Faroese pelagic vessel Jupiter FD42 received a new purse seine net from Garware-Wall Ropes for the capelin season in February 2011.

“ We had some bad weather, but we didn't have any tearing on the net. Taking hauls of up to 1100 tonnes was an easy task and we did not have to worry about the net busting or sinking. ”

Finnbjorn Mikkelsen
Captain of vessel Jupiter, Faroe Island, Denmark



Pioneering solutions that make us proud



First Time in India

70-feet tall gabion wall
at Langigarh, Orissa

First Time in India
1.4-km geo-tube sea wall
at Uppada, Andhra Pradesh



First Time in India

Capping the existing hazardous landfill
at Vizag, Andhra Pradesh

CORPORATE GOVERNANCE REPORT

Your Company has already complied with the mandatory requirements of Corporate Governance of Clause 49 of the Listing Agreements. A detailed report is set out below.

I. MANDATORY REQUIREMENTS

1) PHILOSOPHY OF CORPORATE GOVERNANCE

Your Company's philosophy of corporate governance aims at adopting and practicing prudent corporate practices while achieving Company's business objectives in a way that serves the interest of all stakeholders. Towards this, the Company has adopted the practices mandated in Clause 49 of the Listing Agreement.

2) BOARD OF DIRECTORS

i. Composition: The Board of Directors of the Company as on 31st March, 2011 consisted of:

Sr. No.	Name of Director	Designation	Position
1	Mr. R. B. Garware	Chairman & Managing Director	Promoter - Executive
2	Mr. S. M. Kuvelker	Vice-Chairman	Independent - Non-Executive
3	Dr. V. B. Lele	Director	Independent - Non-Executive
4	Mr. S. N. Talwar	Alternate Director to Dr. V. B. Lele	Independent - Non-Executive
5	Ms. Diya Garware Ibanez	Director	Promoter - Non-Executive
6	Mr. R. M. Telang	Director	Independent - Non-Executive
7	Mr. S. P. Kulkarni	Director	Independent - Non-Executive
8	Mr. V. R. Garware	Whole-time Director	Promoter - Executive

ii. Attendance at the meetings of the Board of Directors and last Annual General Meeting and details of memberships of Directors in other Boards and Board Committees.

- Four meetings of the Board were held during the financial year - on 21st May, 2010, 5th August, 2010, 23rd October, 2010, and 29th January, 2011.

Name of Director	No of Board Meetings attended	Sitting Fees paid (₹)	Whether attended last A.G.M.	Directorships in other Companies and Membership of Committees and post held in committees as on 31st March, 2011			No of Equity Shares held as on 31st March, 2011
				Other Boards	Other Board committees		
					Chairman	Member	
Mr. R. B. Garware	3	N.A.	Yes	10	1	2	14,37,908
Mr. S. M. Kuvelker	4	80,000	Yes	10	4	1	29,358
Dr. V. B. Lele	—	—	—	—	—	—	1,001
Mr. S. N. Talwar	2	40,000	Yes	22	6	13	14,595
Ms. Diya Garware Ibanez	1	20,000	Yes	7	—	—	1,001
Mr. R. M. Telang	4	80,000	Yes	2	—	1	200
Mr. S. P. Kulkarni	3	60,000	Yes	2	—	—	—
Mr. V. R. Garware	4	N.A.	Yes	6	—	—	17,763

Note 1: Excludes Foreign Companies, Private Limited Companies and Alternate Directorships.

Note 2: Only Remuneration Committee, Audit Committee and Shareholders/Investors Grievance Committee are reckoned for this purpose.

3) AUDIT COMMITTEE

i. Constitution

Terms of Reference of the Audit Committee have been set out in accordance with the requirements of Clause 49 of the Listing Agreements, and Section 292A of the Companies Act, 1956, as amended from time to time.

ii. Composition

The composition of the Audit Committee is as follows:

Chairman - Mr. S. M. Kuvelker

Members - Mr. R. B. Garware

Mr. S. P. Kulkarni

Two Members are Non-executive Directors, and one is an Executive Director. All members are financially literate and two of them are independent directors. The Chairman of Audit Committee is an Independent Director, a Chartered Accountant, having accounting and financial management expertise.

iii. Meetings and Attendance

The details of meetings held during the year, and the attendance thereat, are as follows:

- Four meetings of the Audit Committee were held during the financial year - 21st May, 2010, 5th August, 2010, 23rd October, 2010, and 29th January, 2011.

Name of Member	No. of meetings attended.	Sitting fees paid (₹)
Mr. S. M. Kuvelker	4	80,000
Mr. R. B. Garware	3	N.A.
Mr. S. P. Kulkarni	3	60,000

Mr. V. R. Garware, Whole-time Director, who also heads Finance Department, attended all four meetings of the Committee. Mr. S. H. Bamne, Vice President - Corporate, who looks after Internal Audit Department and the Statutory Auditors of the Company, also attended all four meetings. The Company Secretary acted as Secretary to the Committee.

4) REMUNERATION COMMITTEE/ REMUNERATION-COMPENSATION OF DIRECTORS

The Board has not constituted a Remuneration Committee during the year. All matters relating to review and approval of compensation payable to the Executive and Non-Executive Directors are considered by the Board as prescribed under the Companies Act, 1956, within the overall limits approved by the Members.

i. Non-executive Directors' compensation

The remuneration of Non-Executive Directors is decided by the Board of Directors. At present, only sitting fees are paid to Non-Executive Directors. The payment of sitting fees is within the limits prescribed under the Companies Act, 1956.

ii. Executive Directors' remuneration

A. Mr. R. B. Garware, Chairman & Managing Director is the Executive Director and remuneration payable, as approved by members of the Company at the Extra-ordinary General Meeting held on 16th December, 2006, is detailed below:

- a. Salary: Basic Salary of ₹ 25,00,000/- per annum.

Perquisites in the form of reimbursement or allowance which include rent free fully furnished accommodation or HRA, medical expenses, LTA, health insurance policies coverage.

Provident Fund, Employees pension scheme and Superannuation as per Company's Rules. Gratuity as per the Scheme for Senior Executives.

Car with a driver for Company's business and telephone and other communication facilities which are not to be considered as Perquisites.

- b. Performance Linked Incentives: Not applicable.

- c. Remuneration by way of commission, as shall be determined by the Board of Directors every year such that total remuneration, shall not exceed 5% of Net Profit as per the provisions of Section 198 read with Section 309 of the Companies Act, 1956.
 - d. Notice period: 90 days
 - e. Stock option details: Not applicable
- B. Mr. V. R. Garware, Whole-time Director is the Executive Director. The terms of appointment including remuneration and Agreement dated 21st November, 2006 entered into with Mr. V. R. Garware by the Company relating thereto was approved by members of the Company at the Extra-ordinary General Meeting ("EOGM") held on 16th December, 2006. The Board of Directors at its meeting held on 5th August, 2010 decided to revise remuneration from 1st April, 2010 in accordance with the provisions of the Agreement dated 21st November, 2006, which Agreement was approved at the said EOGM held on 16th December, 2006. Particulars of the remuneration are detailed below:
- a. Salary: Basic Salary of ₹ 40,00,000/- per annum.
Perquisites in the form of reimbursement or allowance which include rent free fully furnished accommodation or HRA, medical expenses, LTA, health insurance policies coverage.
Provident Fund, Employees pension scheme and Superannuation as per Company's Rules. Gratuity as per the Scheme for Senior Executives.
Car with a driver for Company's business and telephone and other communication facilities which are not to be considered as Perquisites.
 - b. Special Allowance: ₹ 6,53,000/- per annum.
 - c. Performance linked Incentives: Not applicable.
 - d. Remuneration by way of commission as shall be determined by the Board of Directors every year such that total remuneration shall not exceed 5% of Net Profit as per the provisions of Section 198 read with Section 309 of the Companies Act, 1956.
 - e. Notice period: 90 days
 - f. Stock option details: Not applicable

5) SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

- i. The Shareholders' / Investors' Grievances and Share Transfer Committee was headed by Mr. S. M. Kuvvelkar. Mr. R.B. Garware, Mr. R. M. Telang and Mr. V. R. Garware are its other members.
- ii. During the year, fourteen (14) Meetings of the Shareholders' / Investors' Grievances and Share Transfer Committee were held.
- iii. Mr. A. S. Wagle, Company Secretary is working as Compliance Officer for ensuring secretarial compliance.
- iv. The Committee reviews the system of dealing with and responding to correspondence from the shareholders. The complaint letters received from the Stock Exchanges, SEBI, Department of Company Affairs and quality of responses thereto are also reviewed by this Committee.
- v. During the year, three (3) complaints received were satisfactorily resolved.
- vi. There were no unresolved / unattended complaints of shareholders, received upto 31st March, 2011.
- vii. There were no pending share transfers as of 31st March, 2011.
- viii. The Board had authorized the Share Transfer Agents, M/s. Link Intime India Private Limited to approve all routine transfers and transmission of shares except signing of the fresh / new share certificates. Presently, transfers, transmissions etc., are effected within 30 days.

6) GENERAL BODY MEETINGS

- i. Details of location and time of holding the last three Annual General Meetings:

Date	Time	Venue of all 3 Meetings
Saturday, 27th September, 2008	10.30 a.m.	Prof. Ramkrishna More Auditorium, Opp. TELCO, Chinchwad, Pune 411 033
Friday, 26th September, 2009	10.30 a.m.	
Saturday, 18th September, 2010	10.30 a.m.	

No special resolution was passed at the three Annual General Meetings held, as above.

- ii. So far, the Company has had no occasion to use Postal Ballot.
iii. As on date, no special resolution is proposed to be conducted through postal ballot.

7) DISCLOSURES

- i. There were no materially significant related party transactions, which had potential conflict with the interest of the Company at large.
ii. The Company has complied with the requirements of the Listing Agreements with Stock Exchanges as well as regulations and guidelines of SEBI. Consequently, no penalties were imposed or strictures passed against the Company by SEBI or Stock Exchanges or any statutory authorities during the last three years.
iii. The Board of Directors have adopted a Code of Conduct for all Board Members and Senior Management of the Company, which came into effect from 1st January, 2006. A copy of the same has been posted at Company's official website. All the Directors and Senior Management Personnel have affirmed compliance with the Code for the year ended 31st March, 2011 and CEO (Whole-time Director of the Company) has submitted a declaration, duly signed, to this effect.
iv. CEO (Whole-time Director), and CFO (Vice President - Corporate), have made the necessary certification on Financial Statements & Cash Flow Statement for the year to the Board of Directors of the Company.
v. The Board of Directors, on quarterly basis, reviews compliance reports of all laws. There were no instances of non-compliance reported.
vi. The Company has laid down procedures to inform the Board of Directors about the risk assessment and minimization procedures.
vii. There were no transactions disclosed to Board by Senior Management relating to material, financial and commercial nature involving potential conflict of interest with the Company. A statement in summary form of transactions with related parties is placed periodically before the Audit Committee.

8) MEANS OF COMMUNICATION

- i. Apart from publication in leading newspapers, the quarterly financial statements as well as annual financial statements are posted on the Company's website www.garwareropes.com.
Further, the Quarterly/Half yearly results and Quarterly shareholding patterns are posted on the Company's website and now are also accessible at www.corpfiling.co.in.
ii. A Management Discussion and Analysis Report is enclosed separately as part of this Annual Report.

9) GENERAL SHAREHOLDER INFORMATION

- i. **34th Annual General Meeting**

Date and Time	24th September, 2011, 10.30 a.m.
Venue	Auto Cluster Auditorium, Auto Cluster Development and Research Institute Limited, H-Block, Plot No. C-181, Off Old Pune-Mumbai Highway, Chinchwad, Pune 411 019

- ii. **Financial Calendar** 1st April to 31st March
 Financial reporting for
 • Quarter ending 30th June, 2011 by 15th August, 2011
 • Quarter ending 30th September, 2011 by 15th November, 2011
 • Quarter ending 31st December, 2011 by 15th February, 2012
 • Quarter ending 31st March, 2012 May/June, 2012
- iii. **Book closure date** From 17th September, 2011 to 24th September, 2011 (both days inclusive),
 24th September, 2011 onwards.
- iv. **Dividend payment date**
- v. **Listing of Equity Shares**
 The equity shares of the Company are listed on the Pune, Bombay and National Stock Exchanges. The Listing Fee has been paid up to date, to Pune, Bombay and National Stock Exchanges.
- vi. **Stock Code/Symbol**
 Pune Stock Exchange Limited Code No. 9557
 Bombay Stock Exchange Limited Code No. 509557
 National Stock Exchange of India Limited Symbol: GARWALLROP
- vii. **Stock Market Data**

The high and low prices recorded on the Bombay Stock Exchange were as under:

Month	GWRL Share Price (₹)				BSE		NSE	
	At BSE		At NSE		Sensex		S&P CNX Nifty	
	High	Low	High	Low	High	Low	High	Low
Apr. 2010	80.00	60.00	78.95	59.00	18,047.86	17,276.80	5,399.65	5,160.90
May. 2010	82.00	68.50	82.00	67.80	17,536.86	15,960.15	5,278.70	5,210.05
Jun. 2010	83.75	73.50	83.75	71.10	17,919.62	16,318.39	5,366.75	5,311.05
Jul. 2010	93.45	76.10	93.25	76.00	18,237.56	17,395.58	5,477.50	5,435.15
Aug. 2010	88.65	73.10	88.70	73.00	18,475.27	17,819.99	5,549.80	5,519.40
Sep. 2010	84.80	75.55	84.85	75.55	20,267.98	18,027.12	6,073.50	6,018.30
Oct. 2010	86.50	77.60	86.45	77.55	20,854.55	19,768.96	6,284.10	6,157.90
Nov. 2010	91.10	67.80	91.70	66.00	21,108.64	18,954.82	6,338.50	6,303.10
Dec. 2010	78.60	64.50	79.40	63.80	20,552.03	19,074.57	6,147.30	6,103.55
Jan. 2011	80.95	63.25	80.50	65.40	20,664.80	18,038.48	6,181.05	6,147.20
Feb. 2011	68.90	56.10	68.40	56.00	18,690.97	15,651.99	5,599.25	5,463.40
Mar. 2011	62.90	55.00	63.00	55.25	19,575.16	17,792.17	5,872.00	5,778.65

(Source: from BSE Website : www.bseindia.com & NSE Website : www.nseindia.com)

- viii. **Share Transfer Agent**
 LINK INTIME INDIA PRIVATE LIMITED
 Akshay Complex, Block No 202, 2nd Floor,
 Off Dhale Patil Road, Near Ganesh Temple, Pune 411 001.
 Tel. 020 - 2605 1629, Tel/Fax No. 020 - 2605 3503,
 Email: pune@linkintime.co.in
- ix. **Share Transfer System**
 The power to approve the transfer of securities has been delegated by the Board to the Share Transfer Agent. Share transfer requests are processed within 30 days from the date of receipt.

x. (i) **Distribution of Shareholding as on 31st March, 2011.**

Sr. No.	Category No of shares		No of share holders	% to total share holders	No of shares held	% to total shares
	From	To				
1	1	to 5,000	12,776	98.29	48,34,552	20.39
2	5,001	to 10,000	107	0.83	7,68,700	3.24
3	10,001	to 20,000	40	0.31	6,02,807	2.54
4	20,001	to 30,000	11	0.08	2,70,103	1.14
5	30,001	to 40,000	12	0.09	4,28,175	1.81
6	40,001	to 50,000	4	0.03	1,95,465	0.82
7	50,001	to 1,00,000	14	0.11	9,97,781	4.21
8	1,00,001	and above	34	0.26	1,56,10,767	65.85
Total			12,998	100.00	2,37,08,350	100.00

(ii) **Pattern of Shareholding as on 31st March, 2011.**

Category code	Category of shareholder	Total number of shares held	As a % of (A+B)
(A)	Shareholding of Promoter and Promoter Group		
(1)	Indian Promoters	1,10,44,809	46.59
(2)	Foreign Promoters	---	---
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	1,10,44,809	46.59
(B)	Public Shareholding		
(1)	Institutions		
(a)	Indian Institutions	14,64,597	6.17
(b)	Foreign Institutions	14,15,650	5.97
	Sub-Total (B)(1)	28,80,247	12.14
(2)	Non-Institutions		
(a)	Bodies Corporate	12,74,798	5.38
(b)	Individual shareholders	73,27,294	30.91
(c)	Individuals NRI/Foreign Nationals	1,83,202	0.77
(d)	Trust	9,98,000	4.21
	Sub-Total (B)(2)	97,83,294	41.27
	Total Public Shareholding (B) = (B)(1)+(B)(2)	1,26,63,541	53.41
	TOTAL (A)+(B)	2,37,08,350	100.00

Note: No Shares Pledged or otherwise Encumbered by Promoter and Promoter Group.

xi. **Dematerialization of shares and liquidity**

ISIN No. - INE276A01018

The shares of the Company can be held and traded in electronic form. SEBI has stipulated the shares of the Company for compulsory delivery in dematerialization form only, by all investors from 8th May, 2000. 77.24% shares have already been dematerialized.

The shares of the Company are actively traded on Bombay Stock Exchange Limited & National Stock Exchange of India Limited and have good liquidity.

xii. **Plant Locations**

Plot No. 11, Block D-1,
MIDC, Chinchwad,
Pune - 411 019, Maharashtra
Tel. No. 020 - 3078 0000

Plot No. C-1 & B-226,
MIDC, Wai - 412 803
Dist. Satara, Maharashtra
Tel. No. 02167 - 308301 / 02

Plot No. 75, 80, 81 and 86
Danudyog Sahakari Sangh Ltd.,
Piparia, Amla - 396 230
Tel. No. 0260 2640 867

xiii. **Address for correspondence**

The shareholders may send their communications to the Company at its Registered Office mentioned below or directly to the Share Transfer Agent M/s. Link Intime India Pvt. Ltd.

Company Secretary
Garware-Wall Ropes Limited
Plot No. 11, Block D-1,
MIDC, Chinchwad,
Pune - 411 019, Maharashtra
Tel. No. 020 - 3078 0177
Email: secretarial@garwareropes.com

Link Intime India Private Limited
Akshay Complex, Block No. 202, 2nd Floor,
Off Dhole Patil Road, Near Ganesh Temple,
Pune - 411 001
Tel. No. 020 - 2605 1629,
Tel/Fax No. 020 - 2605 3503,
Email: pune@linkintime.co.in

II. REPORT OF CORPORATE GOVERNANCE

This chapter of the Annual Report together with the information given under 'Management Discussion and Analysis' constitutes a detailed compliance report on corporate governance during 2010-2011.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in the Listing Agreement with the Stock Exchanges. This is annexed to the Directors' Report 2010-2011. This Certificate will also be sent to the Stock Exchanges along with the Annual Report to be filed by the Company.

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of

GARWARE-WALL ROPES LIMITED

We have examined the compliance of conditions of Corporate Governance by Garware-Wall Ropes Limited, for the year ended 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we report that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no Investor Grievances are pending for a period exceeding one month against the Company, as per the records maintained by the Shareholders'/Investors' Grievances and Share Transfer Committee.

We further state that such Compliance Certificate is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Patki & Soman
Chartered Accountants

S. S. Kulkarni
Partner

M. No. 121287
F. R. No. 107830W

Pune,
28th May, 2011

REPORT OF THE AUDITORS

TO THE MEMBERS OF GARWARE-WALL ROPES LIMITED

1. We have audited the attached Balance Sheet of Garware-Wall Ropes Limited as at 31st March, 2011, the related Profit and Loss Account and the Cash Flow Statement for the year ended on that date, annexed thereto. We have to state that these financial statements are the responsibility of the Company's management and our responsibility is to express our opinion on these financial statements which are complied with by this report based on our audit.
2. As for the scope and basis for our opinion, we state that we have conducted the audit in accordance with the auditing standards generally accepted in India and obtained reasonable assurance about the financial statements being free of material misstatements. Our audit includes, wherever necessary, examining on a test basis, the evidence supporting the amounts and disclosures in the financial statements and also includes assessing adherence to the accounting principles and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, as amended by the Companies (Auditors' Report) (Amendment) order 2004, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, and on the basis of such checks of books and records of the Company considered appropriate and according to the information and explanations given to us during the course of the audit, we give in the annexure, a statement on matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the annexure referred to in paragraph (3) above, we report that:
 - (a) We have 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 appears from our examination of the books. Proper returns adequate for the purposes of our audit have been received from the branch at Tacoma, WA (USA), and the Depots, not visited by us;
 - (c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion and according to the information and explanations given to us, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956;
 - (e) On the basis of written representations received from the Directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors of the Company is disqualified as on 31st March, 2011 from being appointed as Director, in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India:
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - ii. in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **Patli & Soman**
Chartered Accountants

S. S. Kulkarni
Partner

M. No. 121287

F. R. No. 107830W

Pune,
28th May, 2011

ANNEXURE REFERRED TO IN PARAGRAPH (3) OF THE AUDITORS' REPORT OF EVEN DATE ON THE ACCOUNTS OF GARWARE-WALL ROPES LIMITED FOR THE YEAR ENDED 31ST MARCH, 2011

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (b) (1) As per the Company's policy, continuous verification of Fixed Assets is carried out covering the entire Fixed Assets within a period of three years. The same is followed during the year.
- (2) Discrepancies noticed on such verification have been properly dealt with in the books of account.
- (c) Fixed Assets disposed off during the year were not substantial and, therefore, it has not affected the going concern status of the Company.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company maintains proper records of inventory. The discrepancies noticed on physical verification of inventory, as compared to the book records, were not material and have been dealt with in the books of account.
- (iii) (a) The Company has not granted secured/unsecured loans to Companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (b) The Company has not taken any secured loans from the Companies, firms or other parties covered in the register maintained under section 301 of the Act. However, the Company has taken unsecured loans from such parties. The number of parties and the amount involved in the transactions is as under:

Number of parties	Amount of unsecured loans taken (Balance as at 31.03.11 ₹ Nil)(₹ Lacs)
Seven	2,051.00

- (c) In our opinion, the rate of interest and other terms and conditions of the unsecured loans taken by the Company, are not, prima facie, prejudicial to the interest of the Company.
- (d) In respect of the unsecured loans taken by the Company, where stipulations have been made, the repayments of the principal amount and interest have been regular.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, carried out in accordance with the auditing standards generally accepted in India and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal controls.
- (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301, of the Companies Act, 1956, have been recorded in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions referred to under sub clause (a) above have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year and there were no unclaimed deposits matured and or lying unpaid during the year. We are informed that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal in respect of public deposit.
- (vii) The Company has an internal audit system, which, in our opinion, is commensurate with its size and nature of its business.

- (viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date those became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the quantum of disputed amounts of Sales tax and Excise duty outstanding as at the last day of the financial year is as follows:-

Name of the Statute	Nature of Dues	Period to which amount relates	Amount (₹ Lacs)	Forum where dispute is pending
State and Central Sales Tax Acts	Tax interest & penalty for the classification of product & tax rates	1995-96	11.00	High Court, Delhi
		1996-97	21.52	
	Tax, interest & penalty for the rates of tax	1999-00	0.78	Deputy Comm. of Sales Tax (Appeals)- Delhi
	Tax, interest & penalty for the rates of tax	2000-01	3.43	Deputy Comm. of Sales Tax (Appeals)- Delhi
	Tax, interest & penalty for the rates of tax	2001-02	1.65	Deputy Comm. of Sales Tax (Appeals)- Delhi
State and Central Sales Tax Acts	Tax, interest & penalty for the rates of tax	2002-03	1.29	Deputy Comm. of Sales Tax (Appeals)- Delhi
		1988-89	1.04	Deputy Comm. of Commercial Tax (Appeals) -Chennai
		1989-90	1.38	
		TOTAL	42.09	

Sr. No.	Name of the Statute	Nature of Dues	Amount (₹ Lacs)	Period to which amount relates	Forum where dispute is pending.
1	Central Excise Act, 1944	Excise Duty - Computation of duty for clearance from EOU to DTA.	14.85	2002- 03	CESTAT, Mumbai.
2	Central Excise Act, 1944	Excise Duty - Computation of duty for clearance from EOU to DTA.	12.72	2002- 03	CESTAT, Mumbai.
		TOTAL	27.57		

- (x) The Company has no accumulated losses at the end of the financial year and has not incurred any cash losses during the year and in the immediately preceding financial year.
- (xi) The Company has not defaulted in repayment of dues to any financial institution or bank. The Company has no debenture holders.



- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and, therefore, the question of maintenance of documents and records in respect thereof does not arise.
- (xiii) The provisions of any special statute applicable to chit fund, nidhi, mutual benefit fund or a society are not applicable to the Company.
- (xiv) The Company is dealing in shares, debentures and other investments, and proper records of the transactions and contracts are maintained. All the investments are held in the name of the Company.
- (xv) The Company has not given guarantee for loan taken by others from Bank or Financial Institutions during the year.
- (xvi) During the year, the Company has obtained fresh term loan which is used for the purpose for which it was obtained.
- (xvii) On the basis of our examination of the Cash Flow Statement and the information and the explanations given to us, the funds raised on short term basis have not been used for long term investment and vice versa.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares during the year.
- (xix) The Company has not issued any debentures.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) During the course of our examination of the books of the Company carried out by us in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the year nor have been informed of such case by the management.

Fur Patki & Soman
Chartered Accountants

S. S. Kulkarni
Partner
M. No. 121287
F. R. No. 107830W

Pune,
28th May, 2011

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	₹ In Lacs	As at 31.03.2011 ₹ In Lacs	As at 31.03.2010 ₹ In Lacs
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Share Capital	I	2,370.84		2,370.84
Reserves and Surplus	II	<u>21,104.29</u>	23,475.13	<u>19,350.96</u>
				21,721.80
LOAN FUNDS				
Secured Loans	III		11,645.59	8,652.16
DEFERRED TAX LIABILITY (NET)				
(Schedule XII Note 24)			1,776.96	1,722.78
Total			<u>36,897.68</u>	<u>32,096.74</u>
APPLICATION OF FUNDS				
FIXED ASSETS				
Gross Block (Including CWP)	IV	30,973.52		28,337.13
Less: Depreciation		<u>15,398.52</u>		<u>13,925.39</u>
Net Block			15,575.00	14,411.74
INVESTMENTS				
	V		874.67	1,697.60
NET CURRENT ASSETS				
Current Assets, Loans and Advances	VI	36,478.21		31,716.31
Less: Current Liabilities & Provisions	VII	<u>16,030.20</u>	20,448.01	<u>15,728.91</u>
				15,987.40
Total			<u>36,897.68</u>	<u>32,096.74</u>
NOTES TO THE ACCOUNTS	XII			

Schedules referred to above form part of the Balance Sheet.

Per our Report of even date attached

For **PATKI & SOMAN**
Chartered Accountants,

R. B. GARWARE
Chairman & Managing Director

S. M. KUVELKER
Vice-Chairman

(S. S. KULKARNI)
Partner
M. No. - 121287
FR. No. 107830W

A. S. WAGLE
Company Secretary

S. N. TALWAR
Director (Alternate to Dr. V. B. Lele)

DIYA GARWARE IBANEZ
Director

R. M. TELANG
Director

S. P. KULKARNI
Director

V. R. GARWARE
Whole-time Director

Pune
May 28, 2011


PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	₹ In Lacs	Year Ended 31.03.2011 ₹ In Lacs	Year Ended 31.03.2010 ₹ In Lacs
INCOME				
Gross Sales	VIII		50,129.97	45,169.66
Less: Excise Duty			235.35	296.98
Net Sales	IX		49,894.62	44,872.68
Other Income			236.99	275.31
Total Income			<u>50,131.61</u>	<u>45,147.99</u>
EXPENDITURE				
Manufacturing, Trading and other Expenses	X		44,634.83	40,177.04
Depreciation		1,485.02		1,293.46
Less: Transfer from Revaluation Reserve		1.04		1.04
			1,483.98	1,292.42
Finance Charges	XI		891.58	1,074.45
Total Expenditure			<u>47,010.39</u>	<u>42,543.91</u>
PROFIT BEFORE TAXATION			3,121.22	2,604.08
Less: Provision for Taxation				
Current Tax			620.91	523.33
Deferred Tax			54.18	138.73
Wealth Tax			2.86	4.00
PROFIT AFTER TAXATION			2,443.27	1,938.02
Balance brought forward from Previous Year			8,880.91	7,830.33
Amount available for Appropriation			<u>11,324.18</u>	<u>9,768.35</u>
APPROPRIATIONS				
Proposed Dividend			592.71	592.71
Tax on Proposed Dividend			96.17	100.73
General Reserve			245.00	194.00
Balance Carried to Balance Sheet			<u>10,390.30</u>	<u>8,880.91</u>
			<u>11,324.18</u>	<u>9,768.35</u>
Notes to the Accounts	XII			
Schedules referred to above form part of the Profit and Loss Account.				
Earning per Share (Equity share of ₹ 10/-each)		Basic & Diluted (In ₹)	10.31	8.17
Number of shares used in computing earning per share			23,708,350	23,708,350

Per our Report of even date attached

For **PATKI & SOMAN**
Chartered Accountants,

(**S. S. KULKARNI**)
Partner
M. No. - 121287
FR. No. 107830W

Pune
May 28, 2011

A. S. WAGLE
Company Secretary

R. B. GARWARE
Chairman & Managing Director

S. N. TALWAR
Director (Alternate to Dr. V. B. Lole)

R. M. TELANG
Director

S. P. KULKARNI
Director

S. M. KUVELKER
Vice-Chairman

DIYA GARWARE IBANEZ
Director

V. R. GARWARE
Whole-time Director

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

SCHEDULE I	As at 31.03.2011 ₹ In Lacs	As at 31.03.2010 ₹ In Lacs
SHARE CAPITAL		
Authorised:		
5,00,00,000 Equity Shares of ₹ 10/- each	5,000.00	5,000.00
(Previous Year 5,00,00,000 Equity Shares of ₹ 10/- each)		
1,00,00,000 Unclassified Shares of ₹ 10/- each	1,000.00	1,000.00
(Previous Year 1,00,00,000 Unclassified Shares of ₹ 10/- each)		
	<u>6,000.00</u>	<u>6,000.00</u>
Issued:		
2,37,08,350 Equity Shares of ₹ 10/- each	2,370.84	2,370.84
(Previous Year 2,37,08,350 Equity Shares of ₹ 10/- each)		
Subscribed and Paid-up:		
2,37,08,350 Equity Shares of ₹ 10/- each	2,370.84	2,370.84
(Previous Year 2,37,08,350 Equity Shares of ₹ 10/- each)		
Total	<u>2,370.84</u>	<u>2,370.84</u>

Of the above, 70,24,100 Equity Shares are allotted as fully paid Bonus Shares by capitalisation of General Reserve and Share Premium.

SCHEDULE II	₹ In Lacs	As at 31.03.2011 ₹ In Lacs	As at 31.03.2010 ₹ In Lacs
RESERVES AND SURPLUS			
Capital Reserve			
As Per last Balance Sheet		24.75	24.75
Share Premium			
As Per last Balance Sheet		7,700.11	7,700.11
Revaluation Reserve			
As Per last Balance Sheet	11.10		12.14
Less: Transfer to Profit and Loss Account	<u>1.04</u>		<u>1.01</u>
		10.06	11.10
		<u>7,734.92</u>	<u>7,735.96</u>
General Reserve			
As Per last Balance Sheet	2,734.07		2,540.07
Add: Transfer from Profit and Loss Account	<u>245.00</u>		<u>194.00</u>
		2,979.07	2,734.07
Profit and Loss Account		10,390.30	8,860.93
Total		<u>21,104.29</u>	<u>19,350.96</u>


SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

	As at 31.03.2011 ₹ In Lacs	As at 31.03.2010 ₹ In Lacs
SCHEDULE III		
SECURED LOANS		
A. Long Term Loans from Institutions / Banks:		
1. CITI Bank Rupee Loan	629.92	944.88
Repayable within one year ₹ 314.96 Lacs, (Previous Year ₹ 314.96 Lacs) Secured by way of hypothecation of the whole of the Plant & Machinery, including its moveable Plant & Machinery, Machinery Spares, Tools & Accessories, both present & future on first charge pari-passu basis.		
2. IDBI Bank Term Loan under TUFs	685.10	895.90
Repayable within one year ₹ 210.80 Lacs, (Previous Year ₹ 210.80 Lacs) Secured by an exclusive charge on specific assets financed by the bank.		
B. Short Term Loans from the Consortium Banks		
1. Cash Credit, Rupee Loan and Rupee Packing Credit	9,216.07	5,162.43
2. Packing Credit in Foreign Currency Loan	1,114.50	1,648.95
The above Short Term Loans from Consortium Bankers, viz., Bank of India, Bank of Baroda, Bank of Maharashtra, IDBI Bank, HDFC Bank & The Royal Bank of Scotland N.V., are secured by a first charge, pari passu, inter se, by way of hypothecation of the Company's current assets, viz. raw materials, stock-in-process, semi-finished goods, finished goods, stores & spares not relating to Plant & Machinery, bills receivable and book debts and other movables (except for Plant and Machinery secured by way of second charge), both present and future. Except loans from IDBI Bank & HDFC Bank, the other loans from remaining Consortium Bankers are also secured to the extent of ₹ 8,300 Lacs by second charge over the Company's Immoveable properties, by way of equitable mortgage, ranking pari passu, inter-se.		
Total	11,645.59	8,652.16

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

**SCHEDULE IV
FIXED ASSETS**

₹ in Lacs

DESCRIPTION	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	Cost/Book Value as on 01.4.2010	Additions during the year	Sales/ Adjustments during the year	Cost/Book Value as on 31.03.2011	On Cost/Book Value as on 01.04.2010	Deduction for Sale of Assets	For the Year on Cost/Book Value	Total Depreciation on Cost/Book Value as on 31.03.2011	W.D.V. of Cost/Book Value as on 31.03.2011	W.D.V. of Cost/Book Value as on 31.03.2010
1. Leasehold Land	104.06	-	-	104.06	-	-	-	-	104.06	104.06
2. Buildings	4,203.83	380.37	-	4,584.00	1,659.93	-	195.48	1,855.42	2,730.58	2,543.70
3. Plant and Machinery	19,889.97	1,382.29	43.88	20,988.38	9,951.66	6.72	947.52	10,892.45	10,095.93	9,718.32
4. Electrical installations	646.39	33.64	-	680.03	420.66	-	22.18	442.85	237.18	225.73
5. Furniture and Fixtures	363.95	57.75	-	441.70	230.31	-	22.25	252.56	189.14	153.84
6. Office Equipments	924.25	68.41	0.01	990.65	628.17	-	57.27	685.44	305.21	286.08
7. Vehicles	570.11	147.24	9.45	707.90	263.51	5.17	50.48	308.83	399.07	308.60
8. Helicopter	506.89	-	-	506.89	408.54	-	28.50	437.04	71.85	100.35
9. Technical KnowHow	45.96	-	-	45.96	30.64	-	4.60	35.24	10.72	15.32
10. Product Development	953.57	200.10	-	1,153.67	256.57	-	115.37	371.94	781.73	897.00
11. Computer Software	183.01	33.44	-	216.45	75.41	-	41.34	116.75	99.70	107.80
Capital Work-in-Progress	143.34	541.83	143.34	541.83	-	-	-	-	541.83	143.34
Total as at 31.3.2011	28,337.13	2,833.07	196.68	30,973.52	13,925.38	1.89	1,485.02	15,398.52	15,575.00	14,411.74
Total as at 31.3.2010	26,088.06	3,477.67	1,232.60	28,337.13	12,825.68	193.74	1,293.48	13,925.39	14,411.74	13,272.39

Notes: 1. Depreciation has been provided on Straight Line Method except in the case of Buildings which are depreciated on Written Down Value Method, at the rates specified in Schedule XIV to the Companies Act, 1956.

2. Cost of Buildings includes ₹ 500/- (Previous year ₹ 500/-) being the cost of shares held in Co-operative Housing Societies.

3. No amount is written off on leasehold land.

4. Depreciation has been provided on S.M single unit method in case of lifts equipments.

5. Sales / Adjustments during the year in Plant & Machinery includes ₹ 32,68,600/- (Previous year ₹ Nil) received as a subsidy under T.U.F.S.



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

	As at 31.03.2011 ₹ In Lacs	As at 31.03.2010 ₹ In Lacs
SCHEDULE V		
INVESTMENTS (Non-Trade, Long Term)		
A. Unquoted:		
In Government Securities	4.77	4.78
7 Year National Savings Certificates. Out of this, National Saving Certificates For Face Value of ₹ 0.16 Lacs deposited with Sales Tax Authorities (Previous Year ₹ 0.16 Lacs)		
In Shares of Cosmos Co-operative Bank Limited	3.16	3.16
15,805 Equity shares of ₹ 20 each Fully Paid (Previous year 15,805) Face Value ₹ 3.16 Lacs (Previous Year ₹ 3.16 Lacs)		
In Shares of Garware Capital Markets Limited	-	724.60
Nil (Previous Year 18,11,500 Equity Shares of ₹ 10/- each fully paid) Face Value ₹ Nil (Previous Year ₹ 181.15 Lacs)		
In Shares of Garware Elastomerics Limited	-	147.83
Nil (Previous Year 14,78,300 Equity Shares of ₹ 10/- each fully paid) Face Value ₹ Nil (Previous Year ₹ 147.83 Lacs)		
In Shares of Gujarat Filament Corporation Limited	0.01	0.01
50 Equity Shares of ₹ 10/- each fully paid (Previous Year 50)		
In Shares of Intermedia Interactive Solutions Pvt Limited	807.11	807.11
8,90,680 Equity Shares of ₹ 10/- each, fully paid (Previous Year 8,90,680) Face Value ₹ 89.07 Lacs, (Previous Year ₹ 89.07 Lacs)		
In JV Company, namely, Garware Environmental Services Pvt Limited	50.00	0.49
5,00,000 Equity Shares of ₹ 10/- each, fully paid (Previous Year 4,900) Face Value ₹ 50.00 Lacs (Previous Year ₹ 0.49 Lacs)		
Total (A)	865.05	1,687.98
B. Quoted:		
In Shares of Garware Marine Industries Limited	5.00	5.00
50,000 Equity Shares of ₹ 10/- each fully paid (Previous Year 50,000)		
In Shares of Garware Polyester Limited	319.62	319.62
1,46,350 Equity Shares of ₹ 10/- each fully paid (Previous Year 1,46,350)		
Total (B)	324.62	324.62
Total A & B	1,189.67	2,012.60
Less:		
Contingency reserve, for possible permanent decline in the value of investments	315.00	315.00
Total	874.67	1,697.60
Note:		
Aggregate Market Value of Quoted Investments ₹ 180.35 Lacs (Previous Year ₹ 99.68 Lacs).		

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

	As at 31.03.2011 ₹ in Lacs	As at 31.03.2010 ₹ in Lacs
SCHEDULE VI		
CURRENT ASSETS, LOANS AND ADVANCES		
A. CURRENT ASSETS		
Inventories		
(At cost or market value, whichever is lower as certified by the Whole-time Director)		
Stores, Spares, Fuel and Packing Materials	1,093.37	1,052.21
Raw Materials	4,710.86	1,946.94
Work-in-Progress	1,899.62	1,647.29
Finished Goods (Including Goods-in-Transit ₹ 152.85 Lacs, Previous Year ₹ 138.62 Lacs)	5,484.82	4,583.39
Traded Goods	<u>577.20</u>	<u>152.41</u>
	13,765.87	9,382.24
Stock-in-Trade (Securities)	0.74	0.74
(At cost or market price, whichever is lower)		
Sundry Debtors		
Debts outstanding for more than six months		
Considered Good	1,092.64	1,272.19
Considered Doubtful	<u>30.95</u>	<u>30.95</u>
	1,123.59	1,303.14
Less: Provision for Doubtful Debts	<u>30.95</u>	<u>30.95</u>
	1,092.64	1,272.19
Other Debts	<u>12,327.17</u>	<u>11,377.15</u>
	13,419.81	12,649.34
Cash and Bank Balances		
Cash on hand	10.12	14.09
With Scheduled Banks:		
In Deposit Accounts	42.31	58.92
In Current Accounts	<u>155.77</u>	<u>487.96</u>
	208.20	560.97
B. LOANS AND ADVANCES (Unsecured, Considered Good)		
Advances recoverable in cash or in kind or for value to be received		
	8,990.86	9,047.38
Deposits	77.58	64.91
Balance with Excise and Customs authorities	<u>15.15</u>	<u>10.73</u>
	9,083.59	9,123.02
Total of A & B	<u>36,478.21</u>	<u>31,716.31</u>


SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

	As at 31.03.2011 ₹ In Lacs	As at 31.03.2010 ₹ In Lacs
SCHEDULE VII		
CURRENT LIABILITIES AND PROVISIONS		
A. CURRENT LIABILITIES		
Sundry Creditors (Include ₹ 128.39 Lacs for Capital Goods; Previous Year ₹ 115.15 Lacs)		
- Micro, Small & Medium Enterprises (Schedule XII-Note 9)	14.27	4.78
- Others	4,815.62	6,026.35
Other Liabilities	7,733.35	6,834.42
Interest accrued but not due	2.48	20.66
Investor Education & Protection Fund shall be credited by the following amounts namely :		
- Unpaid Dividend	<u>23.54</u>	20.96
	12,589.26	12,907.17
B. PROVISIONS		
Taxation	2,752.06	2,128.30
Proposed Dividend	592.71	592.71
Tax on Proposed Dividend	<u>96.17</u>	100.73
	3,440.94	2,821.74
Total of A & B	<u>16,030.20</u>	<u>15,728.91</u>

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Year Ended 31.03.2011 ₹ In Lacs	Year Ended 31.03.2010 ₹ In Lacs
SCHEDULE VIII		
SALES		
(i) Manufactured Goods	45,385.25	39,721.98
(ii) Traded goods	542.45	1,147.53
(ii) Contracts for supply & installation (Tax deducted at source ₹ 72.07 lacs; Previous year ₹ 83.99 Lacs)	4,202.27	4,300.15
Total	<u>50,129.97</u>	<u>45,169.66</u>

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2011**

SCHEDULE IX OTHER INCOME	₹ in Lacs	Year Ended 31.03.2011 ₹ in Lacs	Year Ended 31.03.2010 ₹ in Lacs
Sale of Scrap		94.04	80.10
Interest- Gross			
From Banks (Tax deducted at source ₹ 0.65 Lacs, Previous Year ₹ 1.38 Lacs)	4.07		6.94
From Others	6.17		8.76
		<u>10.24</u>	<u>15.70</u>
Dividend		5.25	14.95
Miscellaneous Receipts		194.08	122.31
Profit / (Loss) on Sale of Investment		(66.64)	42.25
Profit on sale of Fixed Assets		0.02	-
Total		<u><u>236.99</u></u>	<u><u>275.31</u></u>

SCHEDULE X MANUFACTURING, TRADING AND OTHER EXPENSES	₹ in Lacs	Year Ended 31.03.2011 ₹ in Lacs	Year Ended 31.03.2010 ₹ in Lacs
Raw Material Consumed			
Opening Stock	1,946.93		1,294.85
Add : Purchases (Net of Credits)	22,691.94		17,379.69
Less : Closing Stock	4,710.86		1,946.94
		<u>19,928.01</u>	<u>16,727.60</u>
Stores and Spares consumed		2,645.32	2,358.30
Packing Materials consumed		751.56	594.52
Power, Fuel and Water Charges		2,740.06	2,251.96
Processing and Testing Charges		1,939.19	1,559.21
Cost of Traded Goods (Including Construction Contract)		3,152.81	4,297.49
Installation Contract related expenses		31.78	40.31
Employees' Remuneration and Benefits			
Salaries, Wages and Bonus	5,704.77		4,786.22
Contribution to Provident and other Funds	247.69		276.63
Gratuity	64.32		58.54
Staff Welfare	519.87		402.43
		<u>6,536.65</u>	<u>5,523.82</u>
Administrative, Selling and General Expenses			
Advertisement	43.22		43.54
Rent	101.20		126.37
Rates, Taxes and Octroi	76.44		78.18
Insurance	113.09		83.45
Transport and Forwarding Charges	2,341.11	2,675.06	<u>2,006.88</u>
			<u>2,338.42</u>
Carried Forward		<u>40,400.44</u>	<u>35,691.63</u>

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2011**

SCHEDULE X (Contd)	₹ in Lacs	Year Ended	Year Ended
		31.03.2011	31.03.2010
Brought Forward		₹ in Lacs	₹ in Lacs
		40,400.44	35,691.63
Repairs and Maintenance			
Buildings	54.64		33.41
Plant and Machinery	653.38		569.84
Others	397.92		261.26
		1,105.94	864.50
Travelling Expenses		474.67	474.37
Discount and Commission on Sales		2,211.29	2,309.27
Bad Debts		3.87	5.06
Legal and Professional Charges		454.29	421.00
Auditors' Remuneration			
Audit Fees	5.00		4.20
Tax Audit Fees	0.90		0.92
Fees for other Services	1.00		0.80
Out of pocket expenses	0.38		0.61
		7.28	6.53
Establishment and other miscellaneous expenses		1,477.74	1,371.06
Exchange (Gain) / Loss		(89.20)	(220.73)
Directors' Fees		4.20	4.60
Managerial Remuneration		125.00	113.83
Loss on Fixed Assets Discarded		-	11.86
Decrease/ (Increase) in Finished Goods and Work-in-Progress			
(a) Opening Stock			
Work-in-Progress	1,647.29		1,761.32
Finished Goods	4,583.39		3,925.52
	6,230.68		5,686.84
(b) Closing Stock			
Work-in-Progress	1,899.61		1,647.29
Finished Goods	5,484.82		4,583.39
	7,384.43		6,230.68
		(1,153.75)	(543.84)
Cost Capitalised on Machines		(186.84)	(101.84)
Cost Transferred to Product Development Expenditure		(200.10)	(230.27)
Total		44,634.83	40,177.02

**SCHEDULE XI
FINANCE CHARGES**

Interest :			
- Term Loans		133.77	217.62
- Cash Credit / Overdraft		593.75	708.93
- Others		164.06	147.90
Total		891.58	1,074.45

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011**SCHEDULE XII****1. Significant Accounting Policies****i) Basis of Accounting**

These Financial statements are prepared under the historical cost convention on accrual basis in accordance with the requirements of the Companies Act, 1956 and the applicable Accounting Standards.

ii) Fixed Assets and Depreciation

Fixed Assets are stated at cost of acquisition (subject to revaluation during the year ended 30th September, 1985) less accumulated depreciation. Depreciation has been provided at the rates specified in Schedule XIV to the Companies Act, 1956 as amended, on the straight line method except in the case of Buildings where the written down value method is followed. Depreciation on additions / deletions during the year is provided on pro-rata basis.

Fixed Assets are reviewed for impairment with reference to their carrying cost compared to the recoverable value and necessary account is taken of impairment, if any.

Intangibles : Computer Software Cost is amortised over a period of five years. Product Development & Technical Knowhow are amortised over a period of ten years.

iii) Investments

Long term investments are valued at cost less provision, if any, for permanent diminution in the value. Current investments are valued at the lower of the cost or market value as on the date of the Balance Sheet.

iv) Inventories

Inventories are valued at the lower of the cost and the net realisable value, where cost includes duties net of related credits.

v) Sundry Debtors and Advances

Specific debts and advances identified as irrecoverable or doubtful, if any, are written off or provided for, respectively.

vi) Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Foreign currency denominated current assets and current liabilities at the Balance Sheet date are translated at the exchange rate prevailing on the date of the Balance Sheet. Exchange rate differences resulting from foreign exchange transactions settled during the period, including year-end translation of current assets and liabilities, are recognised in the Profit & Loss Account, other than those exchange differences arising in relation to liabilities incurred for acquisition of fixed assets, which are adjusted to the carrying value of the underlying fixed assets. In respect of forward exchange contracts, except in case of fixed assets, the differences between the forward rate and the exchange rate at the inception of the forward exchange contract are recognised as income/expense over the life of the contract.

vii) Revenue Recognition

Sales exclude amounts recovered towards Sales Tax. Domestic Sales are recognised on dispatch of goods from Factory. Export Sales are recognised based on date of Bill of Lading and or Multi Modal Transport Documents on customer acceptance. Revenue from Project Contracts and services rendered are recognised on the basis of percentage of completion method.



NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE XII (contd.)

viii) Research and Development

Capital expenditure on Research and Development is treated on the same lines as any other capital expenditure and is shown under the respective asset block. The revenue expenditure on Research and Development is charged to the Profit & Loss Account. Any expenditure resulting in creation of intangible asset is so recognised, following the relevant accounting standard.

ix) Retirement Benefits

i) Defined Contribution Plan

Company's contribution paid / payable during the year to Provident Fund, Gratuity and Superannuation Fund etc., are recognised in the Profit and Loss Account. These are approved / recognised schemes of the Company.

ii) Defined Benefit Plan

Company's annual liability towards Gratuity is funded on the basis of actuarial valuation, furnished by the Life Insurance Corporation of India under Group Gratuity Scheme.

iii) Unavailed earned leave liability has been provided on the basis of actuarial valuation.

x) Borrowing Costs:

Borrowing Costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which those are incurred.

xi) Segment reporting:

(a) The Segment report is based on business segments identified as primary segments. These business segments are : 1. Synthetic Cordage 2. Fibre and Industrial Products & Projects. Segments based on the location of the customers are identified as secondary segments.

(b) Segment accounting policies are the same as those used in the preparation of the financial statements.

(c) The segment revenues and segment expenses are directly attributable to the segments, except certain expenses which are allocated to the segments using appropriate basis.

(d) The segment assets and liabilities are directly attributable to the segments, except certain assets and liabilities which are allocated to the segments using appropriate basis.

xii) Taxation :

(a) Provision for Income Tax is made on the basis of taxable income for the current accounting year, in accordance with the Income Tax Act, 1961 and the Rules thereunder.

(b) Deferred Tax asset/ liability is recognised at the applicable rate of tax on the basis of timing difference between book profits and taxable income.

xiii) Provisions and Contingencies liabilities:

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE XII (contd.)

2. The Company has complied with 'AS 28', requirements for testing impairment of assets. Impairment loss recognised for the year, charged to Profit and Loss Account, amounted to ₹ Nil (Previous year ₹ 22.12 lacs)
3. The Company, in compliance with "AS 26" on Intangible Assets, has recognised the intangible assets acquired during the year on Product Development Costs at ₹ 200.10 lacs (Previous Year ₹ 230.27 lacs) Computer software ₹ 33.44 lacs (Previous Year ₹ 18.68 lacs). Taking into consideration the clarification issued by the Institute of Chartered Accountants of India dt 7th October 2003, the expenses that have already been recognised as "Deferred Revenue Expenditure" upto 1st April, 2004, are being continued to be amortized over the remaining period.
4. Estimated amount of contracts remaining to be executed on Capital Account and not provided for net of Advances ₹ 298.95 lacs (Previous Year ₹ 201.67 lacs)
5. A. Disclosure pursuant to Accounting Standard "AS7 - Construction Contracts", the Construction work-in-progress (Fibre & Industrial Product & Project Segment) amounts to ₹ 796.90 lacs (Previous Year ₹ 1,173.86 lacs).
B. For these construction contracts, the Progress payments received, Advances and Retentions on Account of Contracts are ₹ 199.32 lacs, ₹ 5.00 lacs and ₹ 31.63 lacs (Previous Year ₹ 2,715.50 lacs, ₹ 23.00 lacs and ₹ 316.84 lacs) respectively.
6. A. The Company has entered into a Partnership Agreement with minority shares to execute Geo Synthetics Work - Contract value worth ₹ 577.31 lacs. During the year ended 31.03.2011, the said partnership has incurred a loss of ₹ 0.02 lacs (Previous Year ₹ 0.20 lac).
B. The Company has entered into a Joint Venture Agreement with Waste Management Pacific Pty Ltd (WMPL), a company incorporated under the law of Australia, to carry out the business of Environmental Services, through Garware Environmental Services Pvt Ltd. (JV Company). JV Company is yet to commence its commercial operation.

(₹ in lacs)

7. A. Operating Lease:	31.03.11	31.03.10
(a) Future Lease Rental Payment		
i) Not later than one year	0.05	0.05
ii) Later than one year; not later than five years.	0.05	0.05
iii) Later than five years.	Nil	Nil
(b) Lease Payment recognised in the Profit & Loss account	0.05	0.05
(c) General description of the leasing arrangement:		
i) Leased Assets : Twisting Machine with Spindles and related equipments.		
ii) Future lease rental payments are determined on the basis of lease rent and use of leased machine for processing operation of third party.		
iii) At the expiry of the lease term, the Company will negotiate for extension of lease / formation of Joint Venture to carry out the activities.		
	(₹ in lacs)	
B. Manufacturing, Trading & Other Expenses include	31.03.11	31.03.10
Research and Development expenses	31.09	23.11



NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE XII (contd.)

8. Contingent liabilities:

- (i) Disputed Excise duty ₹ 27.57 lacs (Previous Year ₹ 35.30 lacs).
- (ii) Bank Guarantees for ₹ 1390.35 lacs (Previous Year ₹ 824.27 lacs), in the ordinary course of business, against which the Company has issued counter guarantees for the overall Bank limits of ₹ 12,500 lacs (Previous Year ₹ 12,500 lacs).
- (iii) Disputed amount of Sales Tax liability ₹ 42.09 lacs (Previous Year ₹ 57.49 lacs).
- (iv) Disputed Property Tax Liability on factory premises, Pune ₹ 20.97 lacs (Previous Year ₹ 20.97 lacs).
- (v) Export Sales Bills, Discounted with the Banks ₹ 168.89 lacs (Previous Year ₹ 164.23 lacs).
- (vi) Disputed Octroi Liability on rate increase of ₹ 21.64 lacs (Previous Year ₹ 27.98 lacs) has been paid under protest. Liability of interest, if any, thereon for delay period has not been considered.

9. Disclosures under the Micro, Small & Medium Enterprises Development Act, 2006:

- (a) An amount of ₹ 14.27 lacs (Previous Year ₹ 22.93 lacs) and ₹ NIL (Previous Year ₹ NIL) was due and outstanding to Suppliers as at the end of the year on account of Principal and Interest respectively.
- (b) No interest was paid during the year.
- (c) No interest outstanding at the end of the year, where principal amount has been paid off to the Supplier but interest amount is outstanding on 31.03.11
- (d) No amount of interest was accrued and unpaid at the end of the year.

The above information and that given in Schedule VII - 'Current Liabilities and Provision' regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Company. This has been relied upon by the Auditors.

10. The Company has set aside as reserve ₹ 315 lacs in FY 2000-2001 from its General Reserve, for contingencies that may arise, in the event there is a diminution in the value of investments, of a permanent nature, in the future.

11. Disclosure in relation to Derivative instruments:

	31.03.2011	31.03.2010
a) No of contracts	14	14
b) Purpose	Hedging	Hedging
c) Net un-hedged exposure	₹ 344.51 lacs	₹ 2,270.66 lacs

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE XII (contd.)

12. EMPLOYEE BENEFITS:

(i) Effective 1st April, 2007, the Company adopted Accounting Standard 15 (Revised 2005) on 'Employee Benefits' issued by the Institute of Chartered Accountants of India.

(ii) **Contribution to Provident Fund, Gratuity and Superannuation Funds**

An amount of ₹ 245.01 lacs (Previous year ₹ 248.82 lacs) is recognised as expenses and included in "Employees' Remuneration and Benefits" (Refer Schedule X) in the Profit and Loss Account. (₹ in Lacs)

(iii) Defined Benefit Plans	Gratuity		Leave encashment	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
I Change in Obligation				
1. Liability at the beginning of the year	556.99	511.31	110.00	105.25
2. Interest Cost	44.56	40.91	9.08	8.42
3. Current Service Cost	46.99	42.99	68.07	9.04
4. Past Service Cost (Non Vested Benefit)	-	-	-	-
5. Past Service Cost (Vested Benefit)	-	-	-	-
6. Benefit Paid	(14.53)	(38.98)	(27.17)	(27.65)
7. Actuarial (Gain) / Loss on Obligation	(24.22)	0.77	7.56	14.94
8. Liability at the end of the year	609.80	556.99	167.53	110.00
II Fair Value of Plan Assets				
1. Fair Value of Plan Assets at the beginning of the year	470.12	393.50	-	-
2. Expected Return of Plan Assets	44.59	37.25	-	-
3. Contributions	58.54	59.04	-	-
4. Benefit Paid	(14.53)	(38.98)	-	-
5. Actuarial Gain / (Loss) on Plan Assets	(3.77)	19.30	-	-
6. Fair Value of Plan Assets at the end of the year	554.95	470.12	-	-
Total Actuarial Gain / (Loss) to be recognised	27.99	(20.07)	(7.56)	(14.94)
III Actual Return of Plan Assets				
1. Expected Return of Plan Assets	44.59	37.25	-	-
2. Actuarial Gain / (Loss) on Plan Assets	(3.77)	19.30	-	-
Actual Return on Plan Assets	40.82	56.55	-	-
IV Amount recognised in the Balance Sheet				
1. Liability at the end of the year	(609.80)	(556.99)	(167.53)	(110.00)
2. Fair Value of Plan Assets at the end of the year	554.95	470.12	-	-
3. Difference	(54.85)	(86.87)	(167.53)	(110.00)
4. Un-recognised Past Service Cost	-	-	-	-
5. Amount recognised in the Balance Sheet	(54.85)	(86.87)	(167.53)	(110.00)

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE XII (contd.)

(₹ in Lacs)

	Gratuity		Leave encashment	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
V Expenses recognised in the Income Statement				
1. Current Service Cost	46.99	42.99	68.07	9.04
2. Interest Cost	44.56	40.91	9.08	8.42
3. Expected Return on Plan Assets	(44.59)	(37.25)	-	-
4. Net Actuarial (Gain) / Loss to be recognised	(27.99)	20.07	7.56	14.94
5. Past Service Cost (Non Vested Benefit) recognised	-	-	-	-
6. Past Service Cost (Vested Benefit) recognised	-	-	-	-
7. Effect of Curtailment or Settlements	-	-	-	-
8. Expense recognised in Profit and Loss Account	18.96	66.72	84.70	32.40
VI Balance Sheet Reconciliation				
1. Opening Net Liability	86.88	117.81	110.00	105.25
2. Expense as above	18.96	66.72	84.70	32.40
3. Employers Contribution	(58.54)	(59.04)	(27.17)	(27.65)
4. Effect of Curtailment or Settlements	-	-	-	-
5. Amount recognised in Balance Sheet	47.30	125.48	167.53	110.00
VII Actuarial Assumptions				
1. Discount Rate Current	8.00%	8.00%	8.25%	8.25%
2. Rate of Return on Plan Assets Current	8.00%	8.00%	NA	NA
3. Salary Escalation Current	7.00%	7.00%	5.00%	5.00%

Note: Employer's Contribution includes payments made by the Company directly to its past employees.

(iv) Broad category of Plan Assets relating to Gratuity as a percentage of total Plan Assets

The Company's Gratuity Fund is managed by Life Insurance Corporation of India and HDFC Standard Life Insurance. The Plan Assets under the fund are deposited under approved securities.

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE XII (contd.)

13. Capacity and Production :

Products	Unit	Year	Licensed Capacity	Installed Capacity *	Actual Production**
			p.a.	p.a.	
i) Twines, Ropes & Yarns	M.T.	2010-2011	N.A.	31,680	26,440
	M.T.	2009-2010	N.A.	27,772	24,988
ii) Nettings	M.T.	2010-2011	N.A.	8,724	7,461
	M.T.	2009-2010	N.A.	8,460	6,883
iii) Woven Fabric	M.T.	2010-2011	N.A.	400	826
	M.T.	2009-2010	N.A.	400	188
iv) Metal Gabions	M.T.	2010-2011	N.A.	5,400	998
	M.T.	2009-2010	N.A.	5,400	1,429
v) Machineries and Parts	NOS.	2010-2011	N.A.	N.A.	#18
	NOS.	2009-2010	N.A.	N.A.	#17

* The figures for Installed Capacity are as certified by the Whole-time Director and, being a technical matter, have not been verified by the auditors.

** The actual production includes production needed for other Products / Divisions and processed through job works.

Machinery production includes 17 machines produced for captive consumption (Previous year 16 machines consumed).

14. (a) Opening and Closing Stocks of Finished Goods :

Products	Opening Stock				Closing Stock			
	Quantity (M.T.)		Value (₹ in lacs)		Quantity (M.T.)		Value (₹ in lacs)	
	As at		As at		As at		As at	
	1.4.2010	1.4.2009	1.4.2010	1.4.2009	31.03.2011	31.03.2010	31.03.2011	31.03.2010
i) Twines, Ropes & Yarns	1,635	1,506	2,053.83	1,919.72	1,303	1,635	1,700.59	2,053.83
ii) Nettings	1,182	1,038	2,350.24	1,946.80	1,615	1,182	3,343.41	2,350.24
iii) Woven Fabric	28	12	42.55	25.80	168	28	141.38	42.55
iv) Metal Gabions	164	40	136.77	33.20	242	164	299.44	136.77
	3,010	2,596	4,583.39	3,925.52	3,327	3,010	5,484.82	4,583.39

(b) Opening & Closing Stocks of Traded Investments

Investments	Opening Stock				Closing Stock			
	Quantity (in Nos in 000's)		Value (₹ in lacs)		Quantity (in Nos in 000's)		Value (₹ in lacs)	
	As at		As at		As at		As at	
	1.4.2010	1.4.2009	1.4.2010	1.4.2009	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Shares in Companies	133	133	0.74	0.74	133	133	0.74	0.74
	133	133	0.74	0.74	133	133	0.74	0.74

As part of its activity of dealing in Securities, the Company holds 1,33,100 equity shares (Previous Year 1,33,100) as stock-in-trade. These are valued at the lower of the cost or market price, at ₹ 0.74 lacs (Previous Year ₹ 0.74 lacs).



NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE XII (contd.)

15. Sales :

Products & Services	Quantity (M.T.)		Value (₹ in lacs)	
	For the Year Ended 31.03.2011	For the Year Ended 31.03.2010	For the Year Ended 31.03.2011	For the Year Ended 31.03.2010
i) Twines, Ropes & Yarns	19,768	16,571	23,571.10	21,317.16
ii) Nettings	7,028	6,001	20,009.90	16,537.06
iii) Woven Fabric	335	232	710.45	440.97
iv) Metal Gabions	921	1,304	1,091.92	1,425.31
Sub Total	28,052	24,109	45,383.36	39,720.49
v) Machineries and Parts (Nos.)	1	1	1.88	1.49
Total			45,385.25	39,721.98

16. Traded Goods (Including Supplied under Contract)

Products	Opening Stock		Purchases		Sales		Closing Stock	
	Qty	Value (₹ in lacs)	Qty	Value (₹ in lacs)	Qty	Value (₹ in lacs)	Qty	Value (₹ in lacs)
i) Secugrid, Textiles, Membranes and Others, etc. (In sq. mtrs.)								
2010-2011	61,715	86.26	874,655	1,231.76	467,196	542.45*	469,174	468.21
2009-2010	235,010	310.50	711,825	964.21	885,120	1,900.08**	61,715	86.26

Note: * Secugrid, Textiles, Membranes, Nets and other items purchased, have been partly used in Construction Contract activities. Therefore, Sales quantity and values are not comparable, which have been clubbed in Construction Contracts.

ii) Construction Contracts/Others (Refer Note 5)

2010-2011	-	-	-	1,952.83	-	4,202.28	-	-
2009-2010	-	-	-	3,357.56	-	3,547.60	-	-
Total - 2010-11		86.26		3,184.59		4,744.72		468.21
Total - 2009-10		310.50		4,321.77		5,447.68		86.26

17. Value of Imports on C.I.F. Basis :

	2010-2011 (₹ in lacs)	2009-2010 (₹ in lacs)
Raw Materials	6,326.94	7,094.77
Traded Goods, Stores, Spares, etc.	1,415.85	1,284.02
Capital Goods	300.32	65.55
Total	8,043.11	8,444.34

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE XII (contd.)

18. Raw Materials Consumed :

	Quantity (M.T.)		Value (₹ in Lacs)	
	2010-2011	2009-2010	2010-2011	2009-2010
High Density Polyethylene	11,085	9,419	7,446.58	6,104.48
Polypropylene	12,895	12,135	8,488.87	7,257.09
Nylon	1,523	1,477	2,517.64	2,114.56
Polyester Yarn	741	673	663.44	560.98
Dyneema	15	8	368.93	225.77
G.I.Wire	930	973	442.56	464.72
Total	27,190	24,685	19,928.02	16,727.60

19. Value of Imported and Indigenous Raw Materials, Stores and Spares Consumed :

	₹ in lacs		Percentage	
	2010-2011	2009-2010	2010-2011	2009-2010
(i) Raw materials				
Imported	6,657.70	8,241.40	33.41	49.27
Indigenous	13,270.32	8,486.20	66.59	50.73
Total	19,928.02	16,727.60	100.00	100.00

	₹ in lacs		Percentage	
	2010-2011	2009-2010	2010-2011	2009-2010
(ii) Stores, Spares etc.				
Imported	430.68	473.85	16.28	20.09
Indigenous	2,214.64	1,884.45	83.72	79.91
Total	2,645.32	2,358.30	100.00	100.00

20. Expenditure in Foreign Currency :

	2010-2011 (₹ in lacs)	2009-2010 (₹ in lacs)
a. Travelling Expenses	174.53	175.59
b. Commission on Exports	75.38	72.59
c. Subscriptions	3.76	3.69
d. Advertisements & Sales Promotion	6.08	8.57
e. Professional Charges	142.45	205.47
f. Interest & Finance Charges	61.29	59.24
g. Overseas Branch Office Expenses	350.51	322.45
Total	814.00	847.60

21. Earnings in Foreign Currency :

	2010-2011 (₹ in lacs)	2009-2010 (₹ in lacs)
FOB value of Exports :	17,784.50	14,522.30

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE XII (contd.)

22. Segment Reporting

i) Primary Segment Report

(₹ in Lacs)

Year 2010-2011

Year 2009-2010

PARTICULARS	Synthetic Cordage	Fibre and Industrial Products and Projects	Eliminations	Total	Synthetic Cordage	Fibre and Industrial Products and Projects	Eliminations	Total
REVENUE								
Gross External Sales	38,716.71	11,413.26		50,129.97	32,967.14	12,202.52		45,169.66
Inter-segment Sales	712.54	645.16	(1,357.70)	-	244.82	543.73	(788.55)	-
Less: Excise Duty	50.23	185.12		235.35	125.50	171.48		296.98
Total Revenue	39,379.02	11,873.30	(1,357.70)	49,894.62	33,066.46	12,574.77	(788.55)	44,872.68
RESULT								
Segment Result	4,218.20	1,072.23		5,290.43	3,636.64	1,080.89		4,717.53
Unallocated Corporate expenses (net of income)				1,293.12				1,069.24
Operating Profit				3,997.31				3,648.29
Interest Expense				891.58				1,074.86
Interest & Dividend Income				15.49				30.65
Profit from Ordinary Activities				3,121.22				2,604.08
Income Tax				677.95				666.06
Extraordinary items				-				-
Net Profit				2,443.27				1,938.02
OTHER INFORMATION								
Segment Assets	30,330.72	12,882.22		43,192.94	27,007.29	12,940.09		39,947.38
Unallocated Corporate Assets				9,943.71				7,231.55
Total Assets				53,136.65				47,178.93
Segment Liabilities	7,690.84	2,760.25		10,451.09	6,576.41	2,933.43		9,509.84
Unallocated Corporate Liabilities				42,685.56				37,669.09
Total Liabilities				53,136.65				47,178.93
Capital Expenditure	2,265.63	207.29		2,472.92	1,857.29	218.37		2,073.66
Unallocated Capital Expenditure				360.16				1,398.00
Total Capital Expenditure				2,833.08				3,471.66
Depreciation	1,143.37	246.89		1,392.26	976.52	229.14		1,205.66
Unallocated Depreciation on Corporate Assets				91.72				86.76
Total Depreciation				1,483.98				1,292.42
Other non-cash expenses				-				-

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE XII (contd.)

ii) Secondary Segment Report

(₹ in Lacs)

Year 2010-2011

Year 2009-2010

PARTICULARS	Year 2010-2011				Year 2009-2010			
	India	Outside India	Eliminations	Total	India	Outside India	Eliminations	Total
Gross Sales	31,444.66	18,685.31	-	50,129.97	29,908.85	15,282.71	-	45,169.88
Less : Excise Duty	235.35	-	-	235.35	296.98	-	-	296.98
Net Sales	31,209.31	18,685.31	-	49,894.62	29,609.87	15,282.71	-	44,872.68
Fixed Assets	15,572.82	3.22	-	15,576.04	14,407.89	3.74	-	14,411.73
Capital Expendure	2,833.08	-	-	2,833.08	3,471.66	-	-	3,471.66

iii) Notes : The business segments viz. 'Synthetic Cordage and 'Fibre and Industrial Products' and Projects' are considered as the primary segments. Synthetic Cordage comprises ropes, twines and nettings made of twine. Fibre, synthetic fabric, yarn, woven and non-woven textiles, secugrids, coated steel gabions, machinery and projects form the Fibre and Industrial Products & Projects segment. Inter-segment sales are accounted for at market value.

The geographical segments, on the basis of location of customers, are considered as secondary segments. Sales are recognised as sales to customers in India and sales to customers outside India.

23. Transactions with related parties

(i) The Company has identified following related parties:

A. Associates Companies

1. Garware Elastomerics Ltd
2. Garware Bestretch Ltd.
3. Garware Environmental Services Pvt Ltd

B. Companies / other organisations under the control of director, where transactions are entered into and/or outstanding balance exists as at the Balance Sheet date:

1. RSDV Finance Company (P) Ltd
2. RSDV Investments Pvt. Ltd
3. Suramex Edim (P) Ltd
4. Garware Capital Markets Ltd
5. Garware Indus Consulting Ltd
6. Garware Utzon (Cordage) Ltd
7. Manmit Investments & Trading Company (P) Ltd

C. Directors - Key management persons

- Mr. R. B. Garware
Mr. V. R. Garware

D. Relatives of key management persons having control or significant influence over the Company by reason of voting power

- Mr. R. B. Garware
Mrs. Diya Garware Ibanez
Mr. V. R. Garware

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE XII (contd.)

E. Companies / other organisations under the control of directors where no transactions are entered into and/or no outstanding balance exists as at the Balance Sheet Date:

1. Consolidated Agricultural & Dairy Farming Company (P) Ltd.
2. Vimalabai Garware Research Institute
3. Ramesh Trading Company
4. Sunita Trading Company
5. Diya Trading Company
6. Vayu Trading Company
7. Ramesh B. Garware (HUF)
8. Garware Securities Broking Ltd.
9. Gartex Industries Ltd.
10. Garware Motors Ltd.
11. Garware Infrastructure Pvt. Ltd.
12. Garware Apparel Pvt. Ltd.
13. Ceebeegee Investment Company Pvt. Ltd.
14. Moonshine Investments & Trading Co. Pvt. Ltd.
15. Gurukrupa Investments & Trading Co. Pvt. Ltd.
16. Sanand Investments & Trading Company Pvt. Ltd.
17. Starshine Investments & Trading Company Pvt. Ltd.
18. Sukumar Holdings & Trading Company Pvt. Ltd.
19. Garware Research Institute

(II) Following are the transactions with the related parties mentioned in A, B & C above:

(₹ in Lacs)

Sr. No.	Nature of Transaction	Associate Companies		Companies/ other organisations under the control of Directors		Directors - Key Management Persons		Relatives of key management persons having significant influence over the company by reason of voting power		Total	
		2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
1	Sale of Goods / Services	2.12	-	-	-	-	-	-	-	2.12	-
2	Purchase of Goods / Services	17.04	10.78	-	-	-	-	-	-	17.04	10.78
3	Sale of Shares	147.83	110.00	724.60	2.25	-	-	-	-	872.43	112.25
4	Purchase of Shares	49.51	-	-	-	-	-	-	-	49.51	-
5	Deposits placed	-	-	-	-	-	-	-	-	-	-
6	Placed deposits refunded	-	-	-	-	-	-	-	-	-	-
7	Deposits received	-	-	2,051.00	1,704.42	-	-	-	-	2,051.00	1,704.42
8	Deposits refunded	-	-	2,051.00	1,704.42	-	-	-	-	2,051.00	1,704.42
9	Interest paid on deposits	-	-	159.94	139.93	-	-	-	-	159.94	139.93
10	Interest received on deposits	-	-	-	-	-	-	-	-	-	-
11	Directors' Remuneration	-	-	-	-	139.17	140.82	-	-	139.17	140.82
12	Directors' Sitting Fees	-	-	-	-	-	-	0.20	0.60	0.20	0.60
13	Balance receivable	-	-	-	-	-	-	-	-	-	-
14	Balance payable	0.15	2.98	-	-	-	-	-	-	0.15	2.98

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE XII (contd.)

24. Deferred Tax	2010-2011 (₹ in lacs)	2009-2010 (₹ in lacs)
Deferred Tax Liability		
Depreciation differences	1,874.46	1,805.42
Deferred Tax Asset		
Employee benefit and items debited to Profit and Loss Account in current year, but allowed for tax purposes in the following years	97.50	82.64
Net Liability for Deferred Tax	1,776.96	1,722.78
25. Earning per Share (EPS) computed in accordance with Accounting Standard 20 "Earning Per Share"		
	2010-2011 (₹ in lacs)	2009-2010 (₹ in lacs)
BASIC EPS		
Net Profit attributable to Equity Share Holders	2,443.27	1938.02
Weighted Average No. of Share O/s. during the year	23,708,350	23,708,350
Basic EPS (in ₹)	10.31	8.17
DILUTED EPS		
Net Profit attributable to Equity Share Holders	2,443.27	1938.02
Weighted Average No. of Share O/s. during the year	23,708,350	23,708,350
Diluted EPS (in ₹)	10.31	8.17
26. Directors' Remuneration	2010-2011 (₹ in lacs)	2009-2010 (₹ in lacs)
Salaries	78.08	50.06
Contribution to Provident Fund	7.80	5.52
Gratuity Fund, Superannuation Fund	7.12	3.74
Rent Free Accommodation	14.17	27.00
Commission	32.00	54.50
Total	139.17	140.82

Computation of Net Profits in accordance with Section 349 of the Companies Act, 1956

	For the Year 2010-2011		For the Year 2009-2010	
	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)
Profit as per Profit & Loss Account		3,121.22		2,604.08
A Add :				
1 Book Depreciation	1,485.03		1,293.46	
2 Directors' Remuneration	139.17		140.82	
3 Loss on Sale / Discarded of Fixed Assets	-		11.86	
		1,624.20		1,446.14
Carried Forward		4,745.42		4,050.22



NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE XII (contd.)

	For the Year 2010-2011		For the Year 2009-2010	
	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)
Brought Forward		4,745.42		4,050.22
B Less :				
1 Depreciation as per Section 350	1,485.03		1,293.46	
2 Profit on Sale of Investment (Net)	(66.64)		42.25	
3 Loss on Sale / Discarded of Fixed Assets	-		11.86	
		<u>1,418.39</u>	<u>1,347.57</u>	
Net Profit /(Loss) under Section 349 of the Companies Act, 1956		<u><u>3,327.03</u></u>	<u><u>2,702.65</u></u>	

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE XII (contd.)

27. CASH FLOW STATEMENT	2010-2011 ₹ in lacs	2009-2010 ₹ in lacs
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary items	3,121.22	2,604.10
Adjustments for :		
Depreciation	1,483.98	1,292.42
Interest Expenses	891.58	1,074.45
Interest Income	(10.25)	(15.70)
Dividend Income	(5.25)	(14.95)
Loss on sale of Fixed Assets	-	(30.39)
Operating Profit before working capital changes	<u>5,481.28</u>	<u>4,909.93</u>
Adjustments for:		
(Increase) / Decrease Trade and other Receivables	(994.86)	(1,757.57)
(Increase) / Decrease Inventories	(4,383.63)	(974.42)
Increase / (Decrease) Trade and other Payables	(302.33)	3,627.24
Cash generated from operations	<u>(199.52)</u>	<u>5,805.18</u>
Direct Taxes paid	163.08	300.26
Net cash from Operating Activities	<u>(36.44)</u>	<u>6,105.44</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including software development	(2,489.64)	(2,359.60)
Proceeds from sale of Fixed Assets	41.45	187.43
Sale of investments	822.92	65.38
Product development costs	(200.10)	(230.27)
Interest received	10.25	15.70
Dividend received	5.25	14.95
Net cash used in Investing Activities	<u>(1,809.87)</u>	<u>(2,306.41)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayments of long term borrowings	(1,155.68)	(1,917.94)
Long term borrowings	629.92	944.88
Short term borrowings	3,519.20	(948.89)
Interest paid	(909.76)	(1,053.79)
Dividends paid	(590.14)	(592.78)
Net cash from Financing Activities	<u>1,493.54</u>	<u>(3,568.52)</u>
Net Increase/ (Decrease) in cash & Cash Equivalents	<u>(352.77)</u>	<u>230.51</u>



NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE XII (contd.)

	2010-2011 ₹ in lacs	2009-2010 ₹ in lacs
27. CASH FLOW STATEMENT		
Cash & Cash Equivalents (Opening Balance):	560.97	330.46
Cash & Cash Equivalents (Closing Balance):	208.20	560.97
Net Increase/ (Decrease) in Cash & Cash Equivalents	<u>(352.77)</u>	<u>230.51</u>

28. Previous year figures have been regrouped and rearranged wherever necessary.

Per our Report of even date attached

For **PATKI & SOMAN**
Chartered Accountants,

R.B. GARWARE
Chairman & Managing Director

S. M. KUVELKER
Vice-Chairman

(S. S. KULKARNI)
Partner
M. No. - 121287
FR. No. 107830W

A. S. WAGLE
Company Secretary

S. N. TALWAR
Director (Alternate to Dr. V. B. Lele)

DIYA GARWARE IBANEZ
Director

R. M. TELANG
Director

S. P. KULKARNI
Director

V. R. GARWARE
Whole-time Director

Pune
May 28, 2011

Progress through the Years

	31.03.02	31.03.03	31.03.04	31.03.05	31.03.06	31.03.07	31.03.08	31.03.09	31.03.10	31.03.11
(₹. in Lacs)										
COMPANY OWNED										
1. FIXED ASSETS (NET)	8,007.89	7,667.40	7,748.53	9,089.45	8,868.41	10,654.53	12,824.58	13,272.38	14,411.74	15,576.00
2. INVESTMENTS	1,138.49	1,804.45	1,737.21	1,771.20	1,771.30	1,771.30	1,771.20	1,762.98	1,697.60	874.87
3. NET CURRENT ASSETS	6,822.71	8,240.99	9,017.21	11,877.45	12,985.22	15,180.93	18,584.53	17,801.04	15,957.40	20,446.01
TOTAL ASSETS (NET)	15,968.09	17,710.84	18,502.95	21,737.10	23,624.93	27,606.19	31,180.39	32,636.40	32,066.74	36,897.68
COMPANY OWED										
1. LOAN FUNDS	3,609.73	4,362.09	5,134.36	6,950.73	8,565.95	*10,330.68	*11,382.00	10,674.11	8,652.18	11,645.59
2. COMPANY'S NET WORTH -										
- EQUITY SHARE CAPITAL	1,970.88	1,970.88	1,970.88	†1,985.44	1,986.44	‡2,071.44	‡2,171.24	**2,370.84	2,370.84	2,370.84
- RESERVES AND SURPLUS ^{††}	9,019.72	9,332.11	9,767.23	11,138.95	11,518.22	13,681.61	18,051.69	16,107.40	19,259.96	21,104.29
3. DEFERRED TAX LIABILITY	1,370.65	1,545.66	1,830.85	1,650.98	1,448.93	1,613.58	1,675.46	1,564.06	1,722.78	1,776.95
TOTAL CAPITAL EMPLOYED	15,968.09	17,710.84	18,502.95	21,737.10	23,624.93	27,606.19	31,180.39	32,636.40	32,066.74	36,897.68
INCOME	18,065.60	17,983.91	18,018.42	22,997.24	26,641.10	34,270.18	40,869.15	44,694.83	65,444.87	50,366.86
RAW MATERIAL AND STOCK CONSUMED	6,153.69	6,342.66	7,011.70	9,422.80	11,105.61	15,389.72	17,302.21	20,010.80	20,481.25	21,927.07
SALARIES AND WAGES	1,938.11	2,365.31	2,506.79	2,751.89	3,038.11	3,696.98	4,658.14	5,158.45	5,523.82	6,536.85
OPERATING AND OTHER EXPENSES	5,403.43	6,440.30	7,043.75	7,815.80	9,017.57	10,501.09	12,665.79	14,418.50	14,171.85	16,171.10
INTEREST	469.67	447.66	418.74	520.90	725.25	832.85	1,431.95	1,292.82	1,074.45	891.58
EXCISE DUTY	241.28	303.78	258.80	384.22	389.68	451.97	651.56	679.56	296.98	236.35
PROFIT BEFORE DEPRECIATION AND TAX	1,679.12	1,754.31	1,891.27	2,102.24	2,670.90	3,448.20	3,659.40	3,115.91	3,036.52	4,605.20
DEPRECIATION	688.77	712.51	754.71	800.01	859.34	943.55	1,101.92	1,230.16	1,282.42	1,483.89
PROFIT BEFORE TAX	1,192.35	1,041.80	1,136.56	1,302.23	1,612.56	2,504.65	2,657.48	1,885.75	2,604.10	3,121.22
TAX	270.00	245.00	180.00	(23.08)	26.56	282.00	437.19	266.84	686.05	675.09
PROFIT AFTER TAX	922.35	796.80	956.56	1,325.09	1,486.00	2,222.65	2,419.69	1,618.91	1,938.04	2,446.27
DIVIDEND OUTGO ***	430.91	468.12	496.12	568.11	500.81	605.87	635.06	836.44	636.44	688.89
EARNING RETAINED IN BUSINESS	491.44	328.68	460.44	756.98	985.19	1,616.79	1,784.63	782.47	1,244.60	1,757.39
EARNING PER SHARE (₹)	4.71	4.27	4.99	6.64	7.44	11.08	11.68	6.92	8.17	10.31
DIVIDEND PND PER EQUITY SHARE (₹)	2.20	2.20	2.20	2.60	2.20	2.60	2.60	2.50	2.50	2.50
BOOK VALUE OF EQUITY SHARE (₹)	56.01	57.51	58.83	65.71	68.10	75.88	83.87	86.32	91.57	115.25
(Adjunct Revaluation)										
FOB VALUE OF EXPORTS	4,475.83	6,327.48	6,436.42	7,719.77	8,138.67	11,081.52	12,815.70	14,415.93	14,622.33	17,794.53

* Includes Application moneys of Convertible Warrants.

Reissue of 3,77,634 Equity Shares forfeited.

\$ 7,50,000 Equity Shares against Convertible Warrants.

@ 9,98,000 Equity Shares against Convertible Warrants.

** 19,96,000 Equity Shares against Convertible Warrants.

† The figures of reserves and surplus have been calculated after deduction of miscellaneous expenditure to the extent not written off or adjusted and includes revaluation reserve ₹ 19.63 lacs for 31.03.02, ₹ 18.44 lacs for 31.03.03, ₹ 17.36 lacs for 31.03.04, ₹ 16.31 lacs for 31.03.05, ₹ 15.27 lacs for 31.03.06, ₹ 14.23 lacs for 31.03.07, ₹ 13.19 lacs for 31.03.08, ₹ 12.14 lacs for 31.03.09, ₹ 11.10 lacs for 31.03.10 and ₹ 10.06 lacs for 31.03.11 respectively.

*** Dividend outgo includes tax on dividend, wherever applicable.

NOTES

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GARWARE-WALL ROPES LIMITED

Product Portfolio

FISHING NETS

Twisted and Braided Nylon and HDPE Nets

NET ASSEMBLY

Aquaculture Cages • Fully and Partially Assembled Purse Seine Nets • Fully Assembled Trawls
Cod Ends • Crab Nets • Gill Nets • Cork Lines • Lead Lines • Bait Bags

ROPES

3-Strand, 8-Strand and 12-Strand Ropes

ROPE ARTICLES

Cargo Nets • Gangway Nets • Helipad Nets • Safety Nets
Boulder Nets • Gabions • Rope Ladders • Slings

SPORTS NETS

Batting Cages • Ski Protection Nets
Nets for Tennis, Soccer, Volley Ball, Basket Ball, Badminton, Hockey and Golf Ranges • Barrier Nets

YARN

Poly Propylene Multi Filament Yarn and Thread

SPM HAWSERS

PRODUCTS FOR AGRICULTURE

Sericulture Nets • Floriculture Nets • Anti-Bird Nets • Shade Nets • Anti-Hail Nets • Slings

PRODUCTS FOR DEFENCE SECTOR

Camouflage Nets • Aerostat Balloons • Underslung Cargo Nets

COATED FABRICS

PVC-coated Polyester Covers and Accessories

GEO PRODUCTS

Geo-Textile Tubes • Geo-Textile Bags • Polymer Rope Gabions • Metal Gabions
Geo Textiles • High Strength Boulder Nets



GLOBAL REACH

Garware-Wall Ropes supplies its products to more than 50 countries across the globe.



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