

INDEPENDENT AUDITOR'S REPORT

To the Members of **Garware Technical Fibres Foundation**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Garware Technical Fibres Foundation**, ("the section 8 Company"), which comprise the balance sheet as at **31st March 2022**, and the statement of Profit and Loss, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in Paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of Section 143(11) of the Act, since in our opinion and according to the information & explanations given to us, the said Order is not applicable to this Company.
2. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) The Company being a private limited company and complying with the conditions prescribed under notification no. GSR 583 (E) dated 13.06.2017, provisions of Chapter X, clause (i) of sub-section (3) of section 143 are not applicable
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) the Company does not have any pending litigations which would impact its financial position
 - ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Patki & Soman
Chartered Accountants
Firm Registration No. 107830W

Sd/-
Shripad s Kulkarni
Membership No. : 121287
Place: Pune
Date: 05-05-2022
UDIN: 22121287AKVJRN9497

Garware Technical Fibres Foundation

CIN: U85300PN2021NPL203132

Balance Sheet as at	Note No	31-Mar-22	31-Mar-22
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a Share Capital	3	1,00,000	
b Reserves and surplus	4	(26,480)	73,520
2 Current liabilities			
a Other current liabilities		-	
b Short-term provisions	5	25,000	25,000
TOTAL			98,520
II ASSETS			
1 Non-current assets			-
2 Current assets			
a Cash and cash equivalents	6	98,520	
b Other current assets		-	98,520
TOTAL			98,520

Notes forming part of the financial statements

1 to 9

As per our audit report of even date

For Patki and Soman
Chartered Accountants
Firm Registration No. 107830W

For & on behalf of the Board of Directors

Sd/-
Shripad S. Kulkarni
Partner
Membership No. 121287
Place: Pune
Date: 05-05-2022
UDIN: 22121287AKVJRN9497

Sd/-
V. R. Garware
(Director)
DIN 00092201
Place: Pune
Date: 05-05-2022

Sd/-
S.S. Rajpathak
(Director)
DIN 00040387
Place: Pune

Garware Technical Fibres Foundation

CIN: U85300PN2021NPL203132

Profit and Loss Statement for the year ended	Note No	31-Mar-22	31-Mar-22
I Revenue from operations			-
II Other income			-
III Total revenue			-
IV Expenses: Other Expenses	7		26,480
Total expenses			26,480
V Profit before exceptional and extra-ordinary items and tax			(26,480)
VI Exceptional Items			-
VII Profit before extra-ordinary items and tax			(26,480)
VIII Extra-ordinary items	8		-
IX Profit before tax			(26,480)
X Tax expense			
1 Current tax		-	-
2 Deferred tax		-	-
XI Profit (Loss) for the period from continuing operations			(26,480)
XII Profit (Loss) from discontinuing operations			-
XIII Tax expense of discontinuing operations			-
XIV Profit (Loss) from discontinuing operations (after tax)			-
XV Profit (Loss) for the period			(26,480)
XVI Earnings per equity share			(2.65)

Notes forming part of the financial statements

1 to 9

As per our audit report of even date

For Patki and Soman

For & on behalf of the Board of Directors

Chartered Accountants

Firm Registration No. 107830W

Sd/-

Shripad S. Kulkarni

Partner

Membership No. 121287

Place: Pune

Date: 05-05-2022

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V. R. Garware

(Director)

DIN 00092201

Place: Pune

Date: 05-05-2022

Sd/-

S.S. Rajpathak

(Director)

DIN 00040387

Place: Pune

Garware Technical Fibres Foundation

CIN: U85300PN2021NPL203132

1 Corporate Information:

Garware Technical Fibres Foundation is a not-for-profit company domiciled in India and incorporated under the provisions of Section 8 of the Companies Act, 2013. The main objective of the Company is to undertake various Corporate Social Responsibility activities as defined in Companies Act, 2013 by way of formulation and execution of various projects and/or programmes and/or undertaking activities in areas or subjects specified in Schedule VII of Companies Act, 2013 as may be amended or substituted from time to time.

2 Basis of Preparation of Financial Statements

The financial statements are prepared on the accrual basis under the historical cost convention, on a going concern basis in accordance with applicable accounting standards specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of Companies Act, 2013

2.1 Investments:

In accordance with AS 13 issued by the Institute of Chartered Accountants of India,

- Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.
- On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.
- Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

2.2 Revenue Recognition

In accordance with AS 9 issued by the Institute of Chartered Accountants of India

- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company, provided it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration. The following specific recognition criteria must also be met before revenue is recognized.
- Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

2.3 Employees Retirement Benefits

As the no. of permanent employees is not significant, provision for retirement benefit is not made.

Garware Technical Fibres Foundation

CIN: U85300PN2021NPL203132

2.4 Taxation

Tax expense comprises current tax calculated as per provisions of the Income Tax Act, 1961.

2.5 Provisions

In accordance with Accounting Standard 29 issued by the Institute of Chartered Accountants of India,

- A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

2.6 Contingent Liabilities and Contingent Assets

In accordance with Accounting Standard 29 issued by the Institute of Chartered Accountants of India,

- A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.
- Contingent assets are not recognized.

2.7 The Company has not received any intimation from its vendors regarding their status under the "MICRO SMALL & MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006"

2.8 Being the first year of incorporation the figures of previous year are not available.

2.9 The details required to be provided as per Accounting Standards AS 18 "Related parties Disclosure" issued by The Institute of Chartered Accountants are given at Note No. 9 of Notes to the financial statements for the year ended 31st March, 2021.

As per our audit report of even date

For Patki and Soman
Chartered Accountants

Firm Registration No. 107830W

For & on behalf of the Board of Directors

Sd/-

Shripad S. Kulkarni

Partner

Membership No. 121287

Place: Pune

Date: 05-05-2022

UDIN: 22121287AKVJRN9497

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V. R. Garware

(Director)

DIN 00092201

Place: Pune

Date: 05-05-2022

Sd/-

S.S. Rajpathak

(Director)

DIN 00040387

Place: Pune

Garware Technical Fibres Foundation

CIN: U85300PN2021NPL203132

Notes to the Balance Sheet as at		31-Mar-22	31-Mar-22
3 Equity Share Capital			
a	Number of shares authorized		10,000
b	Amount of shares authorized		1,00,000
c	Number of shares issued, subscribed and fully paid		10,000
d	Par value per share		10
e	Amount of shares issued, subscribed and fully paid		1,00,000
f	Reconciliation of the number of shares outstanding at the beginning and at		
i	Shares outstanding at the beginning of the reporting period		-
ii	Shares allotted during the reporting period		10,000
iii	Shares forfeited during the reporting period		-
iv	Shares bought back during the reporting period		-
v	Shares outstanding at the end of the reporting period		10,000
Total at the end of the reporting period			1,00,000
g Details of Shareholders holding more than 5% shares of the company			
i	Equity Shares	31st March 2022	
		%	No. of Shares
1	Garware Technical Fibres Limited	99.99%	9,999
h Details of Shareholding of Promoters			
i	Promoter's Name	31st March 2022	
		% of Total Shares	No. of Shares
1	Garware Technical Fibres Limited	99.99%	9,999
2	Shridhar Shrikrishna Rajpathak [Beneficial interest in this 1 share is held by M/s. Garware Technical Fibres Limited (Formerly Garware-Wall Ropes Ltd.)]	0.01%	1
4 Reserves and Surplus			
a	General Reserve		
i	Balance at the beginning of the reporting period	-	
ii	Additions during the reporting period	-	
iii	Deduction during the reporting period	-	
iv	Balance at the end of the reporting period		-
iv	Balance at the end of the reporting period		-
b	Surplus i.e. balance in Statement of Profit & Loss disclosing allocations and appropriations such as dividend, bonus shares and transfer to/from reserves etc.		
i	Balance at the beginning of the reporting period	-	
ii	Additions during the reporting period	(26,480)	
iii	Deduction during the reporting period	-	
iv	Balance at the end of the reporting period		(26,480)
Total at the end of the reporting period			(26,480)
5 Short-term provisions			
a	Others		
	Professional Fees		20,000
	Audit Fees		5,000
			25,000
6 Cash and cash equivalents			
a	Balances with banks		
i	Balances in Current Account		98,520
Total at the end of the reporting period			98,520

Garware Technical Fibres Foundation

CIN: U85300PN2021NPL203132

<i>Notes to the Profit and Loss Statement for the year ended</i>	31-Mar-22	31-Mar-22
7 Other expenses		
A Office and Administration expenses		
a Audit Fees		5,000
b Professional Fees		21,180
c Filing Fees		300
Total at the end of the reporting period		26,480

Garware Technical Fibres Foundation

8 Ratios

The following are the analytical ratios for the year ended March 31,2022

Sr No	Particulars	Numerator	Denominator	31st March 2022
1	Current Ratio	Current Assets	Current Liabilities	3.94
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	-
3	Debt Service Coverage Ratio	Earnings available for Debt Service	Debt Service	-
4	Return on Equity	Net Profit After Taxes	Average Shareholder's Equity	(0.72)
5	Inventory Turnover Ratio	Cost of Goods sold or Sales	Average Inventory	-
6	Trade Receivable Turnover ratio	Net Credit Sales	Average Accounts Receivable	-
7	Trade Payable Turnover ratio	Net Credit Purchases	Average Accounts Payable	-
8	Net Capital Turnover Ratio	Net Sales	Average Working Capital	-
9	Net Profit Ratio	Net Profit	Net Sales	-
10	ROCE	Earning before interest and taxes	Capital Employed	(0.72)
11	Return on Investment			-
12	a. Quoted	Investment generated from Investments	Time weighted Average Investments	-
13	b. Unquoted	Investment generated from Investments	Time weighted Average Investments	-

9 Transactions with the Related Parties

(I) List of Related Parties and Relationship:

A. Key Management Personnel

Mr. V. R. Garware

B. Enterprises owned or significantly influenced by key management personnel:

- 1 Garware Technical Fibres Ltd.
- 2 Garware Technical Fibres USA Inc.
- 3 Garware Technical Fibres Chile SpA
- 4 Garware Environmental Services Pvt. Ltd.
- 5 Garware Meditech Pvt Ltd.
- 6 Garware Technical Textiles Pvt. Ltd.
- 7 Garware Capital Markets Limited
- 8 Manmit Investments and Trading Co. Pvt. Ltd.
- 9 Gurukrupa Comtrade Pvt. Ltd.
- 10 Moonshine Investments and Trading company Pvt. Ltd.
- 11 VRG Investments Ltd
- 12 VMIR Investments Ltd.
- 13 Starshine Comtrade Pvt. Ltd.
- 14 Sukukar Holdings and Trading Co. Pvt.Ltd.
- 15 Sanand Investments and Trading Co. Pvt. Ltd.
- 16 Vimlabai Garware Research Institute Pvt. Ltd.
- 17 Garware Infrastructure Pvt Ltd
- 18 VRG Business Ventures Pvt. Ltd.
- 19 Consolidated Agricultural & Dairy Farming Co. Pvt. Ltd.
- 20 Ramesh Trading Company
- 21 Sunita Trading Company
- 22 VG Trading Company
- 23 VRG Trading Company
- 24 Vallabhi Tradecom LLP

As per our audit report of even date

For Patki and Soman

Chartered Accountants

Firm Registration No. 107830W

For & on behalf of the Board of Directors

Sd/-

Shripad S. Kulkarni

Partner

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