



# GARWARE-WALL ROPES LIMITED

**Registered Office:** Plot No. 11, Block D-1, M.I.D.C., Chinchwad, Pune 411 019.  
**CIN:** L25209MH1976PLC018939, **Telephone No:** (020) 30780000, **Fax No:** (020) 30780341  
**e-mail:** pune\_admin@garwareropes.com, **website:** www.garwareropes.com

## NOTICE

Notice is hereby given that the FORTIETH ANNUAL GENERAL MEETING of the Company will be held at Auto Cluster Auditorium, Auto Cluster Development & Research Institute Limited, H-Block, Plot No. C-181, Off Old Pune - Mumbai Highway, Chinchwad, Pune - 411 019 on Friday, 4th August, 2017 at 10:30 a.m. to transact the following business:

### ORDINARY BUSINESS:

- To receive, consider, and adopt:
  - the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2017, together with the Reports of the Board of Directors and the Auditors; and
  - the Audited Consolidated Financial Statements for the financial year ended 31st March, 2017 and the Report of the Auditors.
- To declare Dividend (including one-time Special Dividend) on equity shares for the financial year ended 31st March, 2017.
- To appoint a Director in place of Dr. Shridhar Shrikrishna Rajpathak (DIN 00040387), who retires by rotation and, being eligible, offers himself for re-appointment.
- Appointment of Statutory Auditors:**

To consider, and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Audit Committee, M/s. Mehta Chokshi & Shah, Chartered Accountants, Mumbai (Firm Registration No. 106201W), be and is hereby appointed as Statutory Auditors of the Company (in place of retiring Auditors, M/s. Patki & Soman, Chartered Accountants) to hold office for a term of five (5) consecutive years from the conclusion of this Annual General Meeting till the conclusion of 45th Annual General Meeting of the Company, subject to ratification of their appointment at every Annual General Meeting, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors plus taxes as applicable and re-imbursement of actual out-of-pocket expenses."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including a Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, relevant, usual and / or expedient for giving effect to this resolution."

### SPECIAL BUSINESS:

#### 5. Ratification of Cost Auditors' remuneration:

To consider, and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Rule 14(a) of Companies (Audit and Auditors) Rules, 2014, the payment of remuneration of Rs. 5,10,000/- (Rupees Five Lakhs Ten Thousand only) plus taxes as applicable and re-imbursement of actual out-of-pocket expenses to M/s. Joshi Apte & Associates, Cost Accountants, appointed as Cost Auditors (Firm Registration No. 000240), by the Board of Directors based on recommendation by the Audit Committee, to conduct the Audit of the Cost Records in respect of the Products covered under the Companies (Cost Records and Audit) Rules, 2014 for the financial year ended 31st March, 2018, be and is hereby ratified and approved."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including a Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, relevant, usual and / or expedient for giving effect to this resolution."

#### 6. Revision in terms of remuneration of Mr. V. R. Garware (DIN 00092201), Chairman & Managing Director of the Company:

To consider and if thought fit, to pass, the following Resolution as a Special Resolution:

**"RESOLVED THAT** in partial modification of the resolution passed by the members at the 39th Annual General Meeting of the Company held on 10th August, 2016 approving the re-appointment of Mr. V. R. Garware (DIN 00092201), as the Managing Director of the Company, and the terms of appointment including remuneration payable to him, and pursuant to second proviso of Section 197(1) of the Companies Act, 2013, the Board of Directors of the Company be and is hereby authorised to determine amount of commission to be paid to Mr. V. R. Garware, Chairman & Managing Director of the Company, every year, based on the performance of the Company for that particular year, such that total remuneration for any financial year shall not exceed ten (10) percent of the net profits of the Company from the financial year, which has started on 1st April, 2017, till remainder of term of his appointment i.e. upto 30th November, 2021."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including a Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, relevant, usual and / or expedient for giving effect to this resolution."

**By Order of the Board of Directors**

Pune,  
24th May, 2017

Sunil Agarwal  
Company Secretary  
FCS No.: 6407

### NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (the "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF ONLY ON A POLL AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- The proxy form, in order to be effective, must be deposited at the registered office of the Company not less than forty-eight (48) hours before the time fixed for the commencement of the Meeting.  
A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total share capital of the Company carrying voting rights. A Member holding more than ten (10) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.  
A Member of a Company registered under Section 8 of the Companies Act, 2013, shall not be entitled to appoint any other person as his proxy unless such other person is also a Member of the Company.
- A Corporate Member intending to send its authorised representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013, is requested to send to the Company a certified copy of the Board Resolution authorising such representative to attend and vote on its behalf at the Meeting.
- The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, relating to item nos. 4, 5 and 6 to be transacted at the Meeting is annexed hereto.
- Members are requested to notify immediately the change of address, if any, to the Company's Registrar and Share Transfer Agent, quoting folio number and giving complete address in block capitals along with PIN code of the postal district. The Beneficial Owners of the dematerialised shares may inform the concerned Depository Participant/s ["DP(s)"] of the change of address.
- The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 29th July, 2017 to Friday, 4th August, 2017 (both days inclusive), for the purpose of determining the names of Members eligible for final Dividend on Equity Shares, if declared at the Meeting.
- The Dividend of Rs. 3.50/- (35%) per share and one-time Special Dividend of Rs. 1.50/- (15%) per share, thus aggregating to a total dividend of Rs. 5.00/- (50%) per equity share of the nominal value of Rs. 10/- each for the year ended 31st March, 2017, as recommended by the Board of Directors, if declared at the Meeting, will be paid, subject to the provisions of the Companies Act, 2013, on or after Friday, 4th August, 2017, in respect of shares held in physical form, to those Members whose names appear on the Register of Members as on Friday, 4th August, 2017, and in respect of shares held in dematerialised form, to those "Deemed Members" whose names appear in the statement of Beneficial Ownership furnished by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") at the close of business hours on Friday, 28th July, 2017.

(P.T.O.)

8. Members are requested to note that as per RBI Notification, with effect from 1st October, 2009, the remittance of the Dividend amount through ECS has been replaced by National-Electronic Clearing Service ("NECS") and Banks have been instructed to move to the NECS platform with immediate effect. The advantages of NECS over ECS include faster credit of remittance to beneficiary's account, coverage of more bank branches and ease of operations for remitting agencies.  
NECS essentially operates on the new and unique bank account number, allotted by banks post implementation of Core Banking Solutions ("CBS"), for centralized processing of inward instructions and efficiency in handling bulk transactions. Members holding the shares in electronic form are requested to furnish the new 10-digit Bank Account Number allotted by bank after implementation of CBS, if not provided so far, along with a photocopy of a cheque pertaining to the concerned account, to their respective DP, immediately. The Members holding the shares in physical form are also requested to furnish similar information and documents to the Registrar and Share Transfer Agent of the Company, M/s. Link Intime India Pvt. Ltd., Akshay Complex, Block No 202, 2nd Floor, Off Dhole Patil Road, Near Ganesh Temple, Pune - 411 001, if the remittance of dividend is to be made through NECS.  
Members who have not provided new account number allotted after implementation of CBS by bank, to their DP / Registrar and Transfer Agents, as the case may be, then remittance of dividend through ECS to old account may either be rejected or returned.
  9. With a view to provide protection against fraudulent encashment of dividend warrant, Members are requested to provide the bank account numbers along with the names and addresses of the concerned banks to enable the Company to incorporate the said details in the dividend warrants.
  10. Pursuant to provisions of Sections 124 and 125 of the Companies Act, 2013 (Section 205A and 205C of erstwhile Companies Act, 1956), any money transferred to the Unpaid Dividend Account which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to a fund called "Investor Education and Protection Fund" (the "IEPF") established by the Central Government. Accordingly, the unclaimed dividends up to the financial year 2008-2009 have been transferred by the Company to the IEPF. The unpaid / unclaimed dividend for the financial year 2009-10 and onwards will become transferable to the IEPF at the end of seven (7) years from the respective dates of transfer of such amounts to the Unclaimed Dividend Accounts of the Company and no claims shall lie against the IEPF or the Company in respect of individual amounts thereafter. Members are, therefore, requested to check and send their claims, if any, for the relevant financial year 2009-10 and onwards before the respective amounts become due for transfer to the IEPF.  
Ministry of Corporate Affairs ("MCA") notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 on September 05, 2016, as amended from time to time ("IEPF Rules"), which is applicable to the Company. The one of the objective of the IEPF Rules is to help the Members ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial year 2009-2010 and onwards, as on the date of the 39th Annual General Meeting of the Company held on 10th August, 2016, on the website of the Company viz. [www.garwareropes.com](http://www.garwareropes.com).  
Members are also requested to note that, pursuant to the provisions of Section 124(6) of the Act and the IEPF Rules, the Company is obliged to transfer of all shares, in respect of which dividend has remain unpaid or unclaimed for seven (7) consecutive years or more in demat account of the IEPF Authority to be opened for said purpose.
  11. Members / Proxies / Authorised Representatives attending the Meeting are requested to bring their copies of Annual Report along with duly filled attendance slips.
  12. Members, who hold shares in dematerialised form are requested to write their DP ID. and Client ID. Numbers and those who hold shares in physical form are requested to write their Folio Numbers in the attendance slips for attending the Meeting.
  13. Queries, if any, on the accounts should be sent to the Company at its registered office such that the Company will receive the same at least seven (7) days before the Meeting.
  14. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
  15. Non-Resident Indian Members are requested to inform the Company, immediately of:
    - (i) Change in their residential status on return to India for permanent settlement.
    - (ii) Particulars of their Bank Account maintained in India with complete name, branch, account type, MICR number, account number and address of the bank with pin code number, if not furnished earlier.
  16. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agent.
  17. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names, are requested to send the Share Certificate(s) to the Company for consolidation of their holdings into a single folio.
  18. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013, will be available for inspection by the Members at the Meeting.
  19. Electronic copy of the annual report is being sent to all the Members whose email IDs are registered with the Company / DP for communication purposes unless any Member has requested for a hard copy of the same. Accordingly, the annual report of the Company for the financial year ended 31st March, 2017, will be sent in electronic form to those Members who have registered their e-mail addresses with their DPs which are made available to the Company by the Depositories. However, in case a Member wishes to receive a physical copy of the annual report, such Member is requested to send an e-mail duly quoting his folio / DP ID and Client ID, as the case may be, to [secretarial@garwareropes.com](mailto:secretarial@garwareropes.com) / [pune@linkintime.co.in](mailto:pune@linkintime.co.in). Thereupon, the Company shall update its database by incorporating / updating the designated e-mail addresses in its records. Please note that the annual report will also be uploaded on the website of the Company viz. [www.garwareropes.com](http://www.garwareropes.com).  
Members who still hold share certificates in physical form are advised to get their shares dematerialised to avail the benefits of dematerialisation, which include easy liquidity, since trading is permitted in dematerialised form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
  20. All documents referred to in this Notice and accompanying explanatory statement are open for inspection at the registered office of the Company on all working days (except Saturday, Sunday and Public Holidays) of the Company between 11.00 a.m. to 1.00 p.m. upto the date of this Meeting and at the venue of this Meeting for the duration of this Meeting.
  21. Disclosure pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Secretarial Standard – 2 on General Meetings issued by Institute of Company Secretaries of India with respect to Director seeking re-appointment at the Meeting is given in explanatory statement annexed to this Notice.
- I. Voting through electronic means:**
- (i) In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 substituted vide notification dated March 19, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its Members the facility to exercise their right to vote at the Fortieth Annual General Meeting of the Company by electronic means and the business may be transacted through e-voting services provided by CDSL.
  - (ii) For Members attending the Meeting who have not cast their vote by remote e-voting, the Company shall be making arrangements for the Members to cast their votes in respect to the business stated in this Notice through polling paper. The Members who have cast their votes by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
- II. The instructions for e-voting are as under:**
- (i) The voting period begins on Tuesday, 1st August, 2017, (9.00 a.m.) and ends on Thursday, 3rd August, 2017, (5.00 p.m.). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 28th July, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter and Members shall not be allowed to vote beyond the said date and time. A person, who is not Member as on cut-off date should treat this Notice for information purposes only.
  - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - (iii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
  - (iv) Click on "Shareholders" tab.
  - (v) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (vi) Next enter the Image Verification as displayed and Click on Login.
  - (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user, follow the steps given below:

| For Members holding shares in Demat Form and Physical Form |  |
|--|--|
| PAN  | <ul style="list-style-type: none"> <li>Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</li> <li>Members who have not updated their PAN with the Company / DP are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.</li> </ul>                 |
| Dividend Bank Details Or Date of Birth (DOB)               | <ul style="list-style-type: none"> <li>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</li> <li>If both the details are not recorded with the Depository or Company, please enter the Member Id / Folio Number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul> |

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN (EVSN No. 170704015) for Garware-Wall Ropes Limited on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option "YES" or "NO" as desired. The option "YES" implies that you assent to the Resolution and option "NO" implies that you dissent to the resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (xv) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly, modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out a print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If a Demat account holder has forgotten the login password, then, enter the User ID and the image verification code and click on "Forgot Password" and enter the details as prompted by the system.
- (xix) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non-Individual Members & Custodians:

Non-individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates and Custodians respectively.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details, they have to create a Compliance User using the admin login and password. The Compliance User would be able to link the account(s) linked in the login which they wish to vote on.

The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Sunil Agarwal, Company Secretary at the Registered office address or Tel. (020) 30780000 or e-mail at [secretarial@garwareropes.com](mailto:secretarial@garwareropes.com).
- (xxii) Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch date of this Notice and holds shares as of the cut-off date i.e. Friday, 28th July, 2017 and whose PAN is not updated nor received the intimation of sequence number, may obtain the login ID and sequence number by sending a request to Link Intime India Pvt. Ltd, Registrar and Share Transfer Agent of the Company.
- III. a. Mr. S. V. Deulkar, Partner of M/s. S. V. D. & Associates, Company Secretaries (CP No. 965) has been appointed as Scrutinizer to scrutinize voting process in a fair and transparent manner.
- b. The Scrutinizer shall, immediately after the conclusion of voting at the Meeting, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than forty-eight (48) hours of the conclusion of the Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- c. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company and on the website of the CDSL immediately after the declaration of results by the Chairman or a person authorised by him in writing. The results shall also be communicated to Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited where the equity shares of the Company are listed.

#### EXPLANATORY STATEMENT:

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out the material facts relating to the business mentioned under Item Nos. 4, 5 and 6 of the accompanying Notice dated 24th May, 2017.

#### Item No. 4:

The Explanatory Statement for this Item No. 4 is being provided voluntarily, though strictly not required as per Section 102 of the Companies Act, 2013 (the "Act").

Section 139(2) of the Act, inter alia, provides for appointment of an Audit firm as Company's Auditor for two (2) terms of five (5) consecutive years. The Act also provides for a period of three (3) years to comply with the requirements of Section 139(2) of the Act, in respect to companies existing before the commencement of the Act.

Accordingly, at the 37th Annual General Meeting of the Company held on 25th September, 2014, M/s. Patki and Soman, Chartered Accountants, Pune (firm registration number 107830W) were appointed as Statutory Auditors of the Company for a period of three (3) years, subject to ratification of such appointment by the Members of the Company at every Annual General meeting. At two subsequent Annual General Meetings of the Company, their appointment as Statutory Auditors was duly ratified. M/s. Patki and Soman will hold office as Statutory Auditors of the Company up to the conclusion of the ensuing Annual General Meeting of the Company and are not eligible for re-appointment. It is accordingly proposed to appoint M/s. Mehta Chokshi & Shah, Chartered Accountants, as the Company's Statutory Auditors at the ensuing Annual General Meeting of the Company.

The appointment of M/s. Mehta Chokshi & Shah, Chartered Accountants, is being made for the first time under Section 139 of the Act, for a term of five (5) consecutive years subject to the ratification by Members at every Annual General Meeting of the Company.

A special notice has been received under Section 140(4)(ii) of the Act from the Member(s) holding not less than 1% of the total voting power for appointment of M/s. Mehta Chokshi & Shah, Chartered Accountants, as the Company's Statutory Auditors for the said term of five (5) years. The Audit Committee has considered the qualifications and experience of the proposed Statutory Auditors and has recommended their appointment. The Board of Directors has also considered the matter and has recommended their appointment.

The appointment of M/s. Mehta Chokshi & Shah, Chartered Accountants, is placed before the Members for their approval at Item No. 4 of the Notice as an Ordinary Resolution.

(P.T.O.)

**Item No. 5:**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, the Company is required to appoint a Cost Auditor to conduct the audit of the cost records in respect of the Products covered under the said Rules for the financial year ending on March 31, 2018. Accordingly, M/s Joshi Apte & Associates, Cost Accountants, have been appointed as the Cost Auditors of the Company for the financial year 2017-2018 by the Board of Directors at its meeting held on 24th May, 2017, on the recommendation of the Audit Committee of the Company for conducting the audit of the concerned cost records maintained by the Company. The Board of Directors has fixed a remuneration of Rs. 5,10,000/- (Rupees Five Lakhs Ten Thousand only) plus taxes as applicable and re-imbursement of actual out-of-pocket expenses. In terms of Section 148(3) of the Companies Act, 2013 and Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the cost auditors, as fixed by the Board of Directors is required to be ratified by the Company.

None of the Directors or Key Managerial Personnel or their respective relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of this Notice.

The Board of Directors commends the resolution set out at Item No. 5 for ratification by the Members of the Company as an Ordinary Resolution.

**Item No. 6:**

The Members of the Company at the 39th Annual General Meeting of the Company held on 10th August, 2016, had approved the re-appointment of Mr. V. R. Garware (DIN 00092201) as the Managing Director designated as Chairman & Managing Director (CMD) of the Company and the terms of his re-appointment including remuneration payable to him for the period from 1st December, 2016 to 30th November, 2021 as per the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act").

According to the said approved terms of re-appointment, besides the salary, perquisites and allowances, CMD shall also be paid remuneration by way of commission. The amount of commission is to be determined by the Board of Directors every year based on the performance of the Company for that particular year, such that total remuneration for any financial year shall not exceed the maximum remuneration limits determined as per the provisions of Section 197 and Section 198 of the Act.

The Board of Directors of the Company at its meeting held on 24th May, 2017, as per the recommendation of Nomination and Remuneration Committee, pursuant to Second Proviso of Section 197(1) of the Act, decided to recommend for approval by the Members of the Company, the proposal that Mr. V. R. Garware, Chairman & Managing Director of the Company, be paid a commission, every year, based on the performance of the Company for that particular year, such that total remuneration for any financial year shall not exceed ten (10) percent of the net profits of the Company from the financial year, which has started on 1st April, 2017, till the remainder of term of his appointment i.e. upto 30th November, 2021, so that total remuneration is commensurate with the growth, and overall prospects of the Company and adequately rewards the efforts put-in, and contribution made in overall growth and prospects of the Company during his tenure as CMD of the Company.

Second Proviso of Section 197(1) of the Act, inter alia provides that except with the approval of the Company in General Meeting, the remuneration payable to any one managing director; or whole-time director or manager shall not exceed five (5) percent of the net profits of the company and if there is more than one such director remuneration shall not exceed ten (10) percent of the net profits to all such directors and manager taken together. Hence, the specific approval members of the Company by way of Special Resolution in this Annual General Meeting is sought.

All other terms and conditions relating to his appointment and remuneration as approved by the Members at 39th Annual General Meeting of the Company held on 10th August, 2016 shall remain unchanged.

Details of remuneration paid to Mr. V. R. Garware, Chairman & Managing Director during the financial year 2016-17 have been disclosed in the annexure to the Directors' Report and in the Corporate Governance Report.

The terms of appointment and remuneration of the CMD as contained in the resolution and explanatory statement dated 10th August, 2016 as modified by this resolution read with the provisions of Article No. 121 of the Articles of Association dealing with powers of the Managing Director and other Articles as may be applicable to Managing Director of the Company shall be deemed to constitute a written memorandum setting out the term of re-appointment of Mr. V. R. Garware, as Chairman & Managing Director.

Ms. M. V. Garware, Director of the Company, related to Mr. V. R. Garware and Mr. V. R. Garware, shall, in his individual capacity, be deemed to be concerned and interested in the resolution. Save as aforesaid, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of this Notice.

The Board of Directors commends the resolution as set out at Item No. 6 of this Notice for the approval of the Members of the Company as a Special Resolution.

**Brief Profile of Mr. V. R. Garware (DIN 00092201) and other details as per Secretarial Standard - 2 of General Meeting issued by Institute of Company Secretary of India:**

Mr. V. R. Garware (DIN 00092201) (aged 44 years) has been on the Board of Directors of the Company since 7th December, 1995. Mr. V. R. Garware is a Graduate Cum Laude in B Sc Economics (Specialization in Finance) from the Wharton Business School of the University of Pennsylvania, U.S.A.

Mr. V. R. Garware served the Company as a director for one (1) year ending November, 1996 and thereafter, as a whole-time director from December 1996 to November, 2011. Mr. V. R. Garware was elevated to the position of Managing Director of the Company, designated as Chairman & Managing Director, for the period 7th November, 2011 to 30th November, 2011. Thereafter, Mr. V. R. Garware has been re-appointed as the Managing Director designated as the Chairman & Managing Director effective from 1st December, 2011, for a further period of five (5) years. Mr. V. R. Garware has been further re-appointed as the Managing Director designated as Chairman & Managing Director effective from 1st December, 2016, for a further period of five (5) years. Mr. V. R. Garware being Chairman & Managing Director of the Company is in-charge of the overall management of the Company and reports to the Board of Directors of the Company.

Mr. V. R. Garware is also a Director of Garware Research Institute, Vimlabai Garware Research Institute, VRG Investments Limited, VMIR Investment Limited, Garware Capital Markets Limited, Indian Technical Textile Association, Sanand Investments And Trading Co Pvt. Ltd., Consolidated Agricultural and Dairy Farming Co Pvt. Ltd, Manmit Investments And Trading Co Pvt. Ltd, Moonshine Investments And Trading Co Pvt. Ltd, Starshine Investments And Trading Co. Pvt. Ltd., Sukukar Holdings And Trading Co. Pvt. Ltd, Garware Infrastructure Private Limited, Garware Environmental Services Pvt. Ltd., Garware Meditech Private Limited and Gurukrupa Investments & Trading Co. Pvt. Ltd. He does not hold membership of committees of the Board of Directors of any of these companies.

Mr. V. R. Garware holds 19,658 shares of the Company and he is not related to any Director except Ms. M. V. Garware and Key Managerial Personnel of the Company.

Other details such as number of meetings of the Board of Directors attended during the year, remuneration drawn has been given in Corporate Governance Report which forms part of this Annual Report.

**ADDITIONAL INFORMATION ON DIRECTOR SEEKING RE-APPOINTMENT AT THE FORTIETH ANNUAL GENERAL MEETING****Dr. Shridhar Shrikrishna Rajpathak (DIN 00040387)**

Dr. Shridhar Shrikrishna Rajpathak (DIN No. 00040387) (aged 65 years) holds B.Com (Hons), P.G.D.B.M. and M.B.S. (Marketing) degree from University of Pune. He has also been awarded Ph. D. on thesis subject- "A Treatise on Utilization of Fisheries Resources for Sustainable Growth".

During his professional carrier of more than 44 years, Dr. Rajpathak has been involved in various functional areas such as accounting and finance, costing, marketing, indirect taxation, export procedure, international laws on taxation, etc.

Dr. Rajpathak was closely associated with Garware-Wall Ropes Limited for last 20 years. He was involved in overall strategic Management and looking after all commercial activities of the organization.

As per the recommendation of Nomination and Remuneration Committee of the Board, Dr. Rajpathak is appointed as Director (Non-Executive-Non-Independent) in casual vacancy caused due to resignation of Mr. M.V. Subbarao (DIN 02099059) with effect from 24th May, 2017. He is liable to retire by rotation.

Dr. Rajpathak does not hold any directorship in any other company.

Dr. Rajpathak holds 300 shares of the Company as on 31st March, 2017 and he is not related to any other Director and Key Managerial Personal of the Company.

Other details such as remuneration drawn has been given in Corporate Governance Report, which forms part of this Annual Report.

**By Order of the Board of Directors**

Pune,  
24th May, 2017

Sunil Agarwal  
Company Secretary  
FCS No.: 6407



## GARWARE-WALL ROPES LIMITED

**Registered Office:** Plot No. 11, Block D-1, M.I.D.C., Chinchwad, Pune 411 019.  
CIN: L25209MH1976PLC018939, Telephone no: (020) 30780000, Fax No: (020) 30780341  
e-mail: pune\_admin@garwareropes.com, website: www.garwareropes.com

### Form No. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3)  
of the Companies (Management & Administration) Rules, 2014]

## PROXY FORM

CIN: L25209MH1976PLC018939

Name of the Company : GARWARE-WALL ROPES LIMITED.

Registered office : Plot No. 11, Block D-1, M.I.D.C., Chinchwad, Pune - 411 019.

Name of the Member(s): \_\_\_\_\_

Registered address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Folio No/ Dp. Id. & Client Id: \_\_\_\_\_

I/We being the Member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint:

1. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her
2. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her
3. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her

as my / our proxy to attend and vote (on poll) for me / us and on my / our behalf at the FORTIETH ANNUAL GENERAL MEETING of the Company to be held on Friday, 4th August, 2017 at 10.30 a.m. at Auto Cluster Auditorium, Auto Cluster Development & Research Institute Ltd., H-Block, Plot No. C-181, off Old Pune-Mumbai Highway, Chinchwad, Pune - 411 019 and at any adjournment thereof in respect of such resolutions as are indicated below.

| Resolution No. | Description  |
|----------------|--|
| 1.             | To receive, consider and adopt:<br>a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2017, together with the Reports of the Board of Directors and the Auditors and<br>b. the Audited Consolidated Financial Statements for the financial year ended 31st March, 2017 and the Report of the Auditors. |
| 2.             | To declare Dividend (including one-time Special Dividend) on equity shares for the financial year ended 31st March, 2017.  |
| 3.             | To appoint a Director in place of Dr. Shridhar Shrikrishna Rajpethak (DIN 00040387), who retires by rotation and, being eligible, offers himself for re-appointment.   |
| 4.             | Appointment of Statutory Auditors.   |
| 5.             | Ratification of Cost Auditors' remuneration.   |
| 6.             | Revision in terms of remuneration of Mr. V. R. Garware, Chairman & Managing Director (DIN 00092201) of the Company.  |

Signed this..... day of ....., 2017

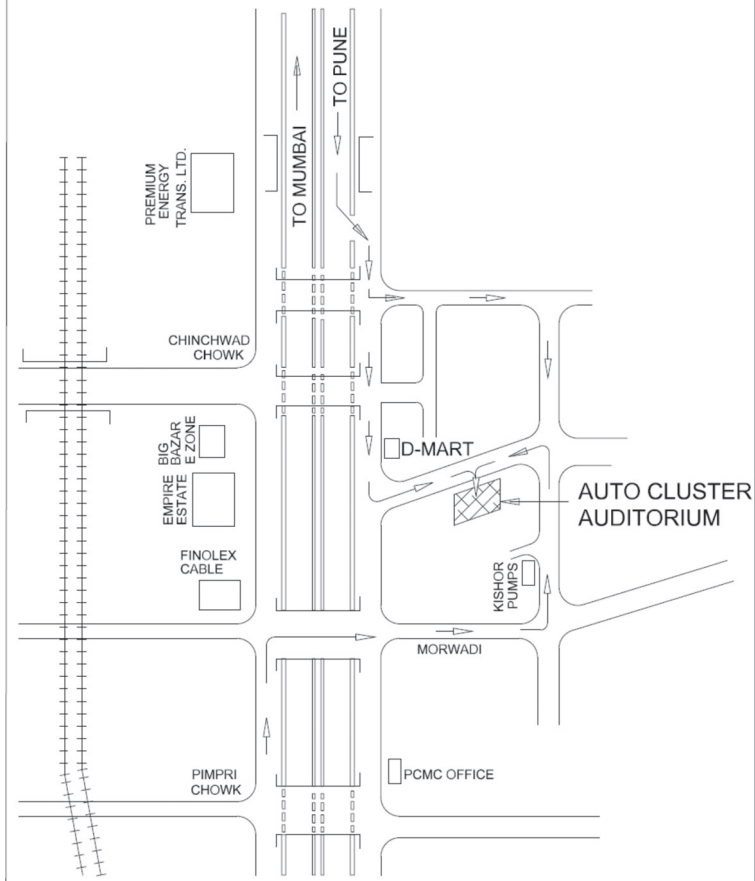
Signature of Member : \_\_\_\_\_

Signature of Proxy holder(s) : \_\_\_\_\_

Revenue  
Stamp

Note: (i) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than forty-eight (48) hours before the commencement of the FORTIETH ANNUAL GENERAL MEETING of the Company.  
(ii) A Proxy may vote either for or against each resolution.

**ROAD MAP-AUTO CLUSTER AUDITORIUM  
(GARWARE-WALL ROPES LTD. AGM HALL)**





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## 40th ANNUAL GENERAL MEETING

### Day & Date:

Friday, 4th August, 2017

### 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 - 411 019, Maharashtra, India.



Extensive  
Global  
Presence

**Powered for  
Sustainable  
Growth**

Deep  
Customer  
Relationships

Enriching  
Human  
Capital

Diversified  
Portfolio

Strong  
Financials



## **GARWARE-WALL ROPES LIMITED**

**Sustaining the momentum built over the years, Garware-Wall Ropes Ltd. (GWRL) maintained its trajectory of profitable growth in FY 2016-17. With deep commitment to its 'Mission and Values', the Company has strategically built multiple drivers for sustainable and profitable progress.**



From the Chairman's Desk

## POWERED FOR SUSTAINABLE GROWTH



Over the years, we have established strong foundations for sustainable growth. Our diversified portfolio and presence across geographies gives us the resilience to weather adverse conditions in particular segments or markets. Through focus on application-oriented innovation, we are able to add further value to existing customers and also tap new markets.



Dear Shareholders,

I am happy to report that your Company recorded impressive performance in the financial year (FY) 2016-17.

Maintaining the momentum of growth recorded in the past few years, your Company achieved a turnover of ₹ 868.72 crores, and convincingly crossed the milestone of earning over ₹ 100 crores as profit before tax (PBT). Your Company's PBT in FY 2016-17 was ₹ 121.83 crores, 40% higher than the figure recorded in the previous year. The return on capital (net worth) also crossed the milestone of 25%.

Considering the performance, your Board of Directors has recommended a dividend at ₹ 3.50 (35%) per share and a special one-time dividend at ₹ 1.50 (15%) per share, to commemorate the completion

of 40 years of the Company. The aggregate dividend is thus ₹ 5 (50%) per share.

Significantly, your Company attained new heights despite hardening global commodity prices and an uncertain geo-political environment. We could aggressively tackle these challenges because, over the years, we have established strong foundations for sustainable growth. Our diversified portfolio and presence across geographies gives us the resilience to weather adverse conditions in particular segments or markets. Through focus on application-oriented innovation, we are able to add further value to existing customers and also tap new markets.

In the year under review, the Indian economy continued to grow at an impressive rate. A relatively good monsoon led to an increase in the agriculture