



GARWARE MARINE INDUSTRIES LIMITED

**37TH ANNUAL REPORT
2014-15**



BOARD OF DIRECTORS	ADITYA GARWARE Chairman	M.B.A.
	SHEFALI S. BAJAJ	M.B.A.
	V. V. DESAI	B.Com., L.L.B., D.A.M. (expired on 11.07.2015)
	DR. B. M. SARAIYA	M.B.B.S.
	RAJIV KHANNA	B.Com.
	S. V. ATRE Executive Director	B.Sc. ENGG., D.M.M.
COMPANY SECRETARY	NIRMALA AGARWAL	B.COM, ACS, L.L.B.
BANKERS	IDBI BANK LTD. INDIAN OVERSEAS BANK	
AUDITORS	MESSRS. RAMAN S. SHAH & ASSOCIATES Chartered Accountants	
REGISTERED OFFICE	102, Buildarch Wisteria, 1st Floor, Ram Maruti Road, Dadar (W), Mumbai 400 028	
REGISTRAR & SHARE TRANSFER AGENT	Bigshare Services Pvt. Ltd. E-2/3 Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (E), Mumbai - 400 072.	

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37TH ANNUAL REPORT 2014-15

NOTICE

NOTICE is hereby given that the Thirty Seventh Annual General Meeting of the Members of Garware Marine Industries Limited will be held on **Wednesday, 30th September, 2015 at 11.00 A.M.**, at "Garware Sabhagriha" F.P.H. Building, 5th Floor, Lala Lajpatrai Marg, Haji Ali, Mumbai – 400034 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and Statement of Profit and Loss for the nine months ended on that date together with the Directors' and Auditors' Report thereon;
2. To appoint a Director in place of Mrs. Shefali Bajaj, who retires by rotation and being eligible, offers herself for re-appointment.
3. To re-appoint Messers. Raman S. Shah & Associates, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

By Order of the Board
NIRMALA AGARWAL
COMPANY SECRETARY

Registered Office:

102, Buildarch Wisteria,
1st Floor, Ram Maruti Road,
Dadar (W),
Mumbai-400028
CIN: L12235MH1975PLC018481

Date : 28th May, 2015

Place: Mumbai

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY (IES) TO ATTEND AND VOTE ONLY ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A Proxy in order to be effective, must be received at the registered office of the company not less than 48 hours before the commencement of the AGM.

2. The Register of Members and Share Transfer books of the Company will remain closed from Wednesday, 23rd September, 2015 to Wednesday, 30th September, 2015 (both days inclusive).
3. For the Convenience of Members, an attendance slip is annexed to the Proxy form. Members are requested to fill in and append their signatures at the space provided thereof and hand over the attendance slip at the entrance of the place of the Meeting. Proxy / Representative of a Member should mark on the attendance slip as 'Proxy' or 'Representative' as the case may be. Members are also requested not to bring with them any person, who is not a Member / Proxy.
4. Members are requested to notify email address, the change in Bank details, address, if any, immediately, quoting their Client ID No. / Folio No., Number of Shares held, etc. to the Company's Share Transfer Agents, 'M/s Bigshare Services Pvt. Ltd.'

Attention of the members is invited to SEBI Circular No.CIR/MRP/DP/10/2013 dt.21.03.2013, whereby it is mandatory that the Company/RTI & STA shall print the bank account details of the members on dividend instruments. Accordingly, the members are requested to furnish/update their bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code), Bank Name, Branch address etc. to facilitate making electronic/physical payment of dividend. Zerox copy of cheque leaf may also be furnished.

5. Members holding shares in identical names in more than one folio(s) are requested to write to the Company's Registered Office and / or Share Transfer Agent, and send their Share Certificates to enable Consolidation of their holding into one Folio.



6. All enquiries and correspondence regarding Transfer/Transmission of Shares, Dematerialisation, etc. should be addressed to Registrars and Share Transfer Agents of the Company, M/s Bigshare Services Pvt. Ltd., E-2/3 Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400 072.
7. Pursuant to Section 103 of the Companies Act, 2013 atleast thirty members should be personally present to form quorum for a meeting of the Company.
8. **Voting through electronic means:** Pursuant to the provisions of Section 108 of the Companies Act, 2013 and amended Rule 20 of the Companies (Management and Administration) Rules, 2014, and clause 35B of the Listing Agreement entered with the Stock Exchanges, the Company is pleased to :
 - i] Provide facility to the members for voting by electronic means to cast their votes electronically from the remote place and the business may be transacted through such voting.
 - ii] The Company will provide the facility for voting through polling paper at the venue of the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
 - iii] The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their vote again.

The Company has engaged the services of Central Depository Services India Ltd (CDSL) to provide e-voting facilities. The e voting facility is available at the link <https://www.evotingindia.com>:

The Company had fixed Wednesday, 23rd September, 2015 as the cut-off date for determining voting right of shareholders entitled to participate in the e-voting process. In this regard, your demat account /folio number has been enrolled by the Company for your participation in e-voting on the resolution proposed by the Company on the e-voting system.

The remote e-voting facility will be available during the following period:

Commencement of e-voting	Saturday, 26th September, 2015 at 10.00 a.m.
End of e voting	Tuesday, 29th September, 2015 at 5.00 p.m.

During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on 23.09.2015 (the cut-off date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 29.09.2015.

The instructions for shareholders voting electronically are as under:

- (i) The shareholders should log on to the e-voting website: www.evotingindia.com.
- (ii) Click on Shareholders,
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on 'Login'.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted earlier in respect of any other resolution proposed by the Company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. <p>Please see Sequence number printed in the address sticker in the envelope.</p> <ul style="list-style-type: none"> • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio • Please enter the DOB or Dividend Bank Details in order to login. If 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 (iv).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.
- (x) Click on the EVSN for GARWARE MARINE INDUSTRIES LIMITED on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non - Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to 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 (POA) 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.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under the help section or write an email to helpdesk.evoting@cdslindia.com.
- The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make Scrutiniser's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - The Results shall be declared on Wednesday, 30th September, 2015 at the Annual General Meeting venue. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website www.garwaremarine.com and on the website of CDSL within two (2) working days of passing of the resolution and communicated to the Stock Exchange where the Company is listed, viz. BSE Ltd.



9. Members who have registered their e-mail id for the receipt of documents in electronic mode are being sent AGM Notice by e-mail and others are sent by courier. Members who have received AGM Notice by e-mail and wish to vote physically can do the same by remaining present in the meeting.

Kindly note that the Shareholders can opt only for one mode of voting, i.e., either by Physical Ballot or e-voting. If members are opting for e-voting, then they should not vote by Physical Ballot also and vice versa. However, in case Shareholders cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by e-voting shall be treated as invalid.

10. Member(s) desiring to exercise his / her vote by using E-voting facility can log in any number of times till he / she has voted the resolution or till the end of the Voting Period, whichever is earlier.
11. Mr. S.M. Korde, Practicing Company Secretary (Membership No.ACS 563 & C.P No.1079) is appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
12. The Scrutinizer will submit his report of the votes polled through E-voting and physical voting, to the Chairman. The Chairman will, or in his absence, any other person so authorized by him will, announce the results of Voting on Wednesday, 30th September, 2015 immediately upon receipt from the Scrutinizer. The Scrutinizer's decision on the validity of the votes cast through E-voting and physical Ballot shall be final. The Results shall be declared on 30.09.2015. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website: www.garwaremarine.com within two (2) working days of passing of the resolution and communicated to the Stock Exchanges where the Company is listed, viz. BSE Ltd.

13. Details of Directors seeking re-appointment at the ensuing annual General Meeting (in pursuance of Clause 49 of the Listing Agreement).

Name of Director	:	Mrs. Shefali S. Bajaj
Date of Birth	:	08.03.1969
Nationality	:	Indian
Date of Appointment on the Board	:	05.11.2014
Qualifications	:	M.B.A.
Expertise in Functional Area	:	General Administration
No. of Shares held in the Company (as on 31.03.2015)	:	74200 - 1.29%
List of Directorships held in other Companies	:	
(1) Shesu Trading & Investment Co. Pvt. Ltd.,	:	
(2) Chairman/Member Committee of the Boards of other Companies in which she is a Director.	:	NIL

REQUEST TO THE MEMBERS

1. Members desiring any information on the Accounts at the Annual General Meeting are requested to write to the Company at least ten working days in advance of the Annual General Meeting so as to enable the Company to keep the information ready. Only the information which could be furnished will be furnished to the members.
2. Members are requested to bring their copy of the Annual Report to the Meeting.

By Order of the Board

**Nirmala Agarwal
Company Secretary**

Registered Office:

102, Buildarch Wisteria,
1st Floor, Ram Maruti Road,
Dadar (W),
Mumbai-400028
CIN: L12235MH1975PLC018481

Date : 28th May,2015

Place : Mumbai

DIRECTORS' REPORT

FOR NINE MONTHS ENDED 31.03.2015

TO,
THE MEMBERS

1. FINANCIAL RESULTS :

	Rs. in Lacs	
	9 months ended 31.03.2015	Year ended 30.06.2014
Income from Operations (including Other Income)	122.41	566.43
Less: Expenses	179.80	896.73
Profit before Interest, Depreciation & Tax	(57.39)	(330.30)
Less: Interest & Finance Charges	3.80	10.17
Profit before Depreciation & Tax	(61.19)	(340.47)
Less: Depreciation & Amortization	1.45	1.63
Provision for Tax	5.60	-
Deferred Tax	8.00	-23.08
Tax for earlier years	-	9.97
Loss for the year	(76.24)	(328.99)
Add: Balance and Loss brought forward from previous year	(355.28)	(26.29)
Available for Appropriation	(431.52)	(355.28)
Less: Transferred to General Reserve	NIL	NIL
Balance carried forward to profit and loss account	(431.52)	(355.28)

2. FINANCIAL HIGHLIGHTS:

In compliance of the provisions of the Companies Act, 2013 the current financial year is for 9 months i.e. 1st July, 2014 to 31st March, 2015.

Income from operations (including other operating income) for the period 1st July, 2014 to 31st March, 2015 stood at Rs.122.41 Lacs, as against Rs. 566.43 Lacs for the previous year.

The Net Loss for the period 1st July, 2014 to 31st March, 2015 stood at Rs.76.24 Lacs, as against loss of Rs.328.99 Lacs for the previous year.

3. OPERATIONS:

During the period 1st July, 2014 to 31st March, 2015, Company's main source of revenue was from its repair activities.

4. DIVIDEND:

In view of the loss incurred by the Company, the Board of Directors have not recommended any dividend for the period 1st July, 2014 to 31st March, 2015.

5. FUTURE OUTLOOK:

With global depression in Shipping and the Offshore Sector, owners are less inclined to spend extensively on repair of their Vessel. Therefore, unless the condition of the Shipping Industry improves in general, the Company repair activities could face challenging times ahead.

6. EXTRACTS OF THE ANNUAL RETURN :

The Extracts of the Annual Return as prescribed in Form No.MGT 9 is enclosed as Annexure A.

7. RESPONSIBILITY STATEMENT:

The Directors confirm:

- a) That in the preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departures (save and except as stated in the Directors' Report) have been made from the same.
- b) 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 at the end of nine months and the Loss of the Company for that nine months ended as on 31.03.2015.
- c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provision of the Companies Act, 2013, for safe-guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That they have prepared the Annual Accounts on a going concern basis.
- e) That the Directors have laid down internal financial controls to be followed and that such financial controls are adequate and were operating effectively.
- f) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. NUMBER OF BOARD MEETINGS:

During the period 1st July, 2014 to 31st March, 2015 under review, 3 Board Meetings were held as detailed below :

- (i) 30th August, 2014 (ii) 05th November, 2014
(iii) 30th January, 2015.

9. DIRECTORS:

Mrs. Shefali S. Bajaj, Director of the Company is liable to retire by rotation and being eligible, offers herself for re-appointment.

10. INDEPENDENT DIRECTORS DECLARATION:

The Independent Directors of the Company viz. Dr. B.M. Saraiya, Mr. V.V. Desai and Mr. Rajiv Khanna have given a declaration that they meet the criteria of the independence as provided in Section 149(6) of the Companies Act, 2013.



Details of familiarisation programme conducted during the period (1st July, 2014 to 31st March, 2015) is available at Company's website.

11. POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION:

During the year under review the Independent Directors reviewed the performance of the Ex-Chairman – Mr. Ashok Garware (resigned w.e.f. 30.08.14), present Chairman -Mr. Aditya Garware (appointed w.e.f. 30.08.14) and Executive Director – Mr. S.V. Atre. They concluded that both the Chairmen viz. Mr. Ashok Garware & Mr. Aditya Garware have taken decisions in bonafide interest of the Company and no decision was against the interest of the Company and its Shareholders.

They further concluded that the Executive Director had played an extremely vital role in handling / settling the labour related matters with reference to closure of Ahmednagar factory and various matters arising out of it. He also continued to guide the repair squad in executing ship repair jobs.

12. LISTING FEES TO STOCK EXCHANGES:

The Company has paid the Listing Fees for the period 1st April, 2015 to 31st March, 2016 to Bombay Stock Exchange Limited where the Shares of the Company are listed.

13. FIXED DEPOSITS:

During the period under review, no deposits were accepted under Chapter V of Companies Act, 2013 and hence the details relating to deposits and details which are not in compliance under Chapter V of the Act are "Not Applicable."

14. AUDITORS & AUDITORS' REPORT:

You are requested to re-appoint Statutory Auditors, Messrs. Raman S. Shah & Associates, Chartered Accountants for the current year and to fix their remuneration.

The Company has obtained a Certificate from Auditors certifying that their re-appointment, if made at the ensuing Annual General Meeting shall be within the limits prescribed under Section 139 of the Companies Act, 2013, certifying that they are eligible for taking up the appointment.

With regard to Auditors' Report and their comments regarding non-provision for diminution in the value of shares and amount recoverable from Garware Nylons Ltd, the same has been clarified in note no. 22(6) to the notes to the accounts.

15. CORPORATE SOCIAL RESPONSIBILITY (CSR):

In view of the loss during the period under review as also the loss for the previous year, the Company was not required to make any contribution towards CSR and thus the required details are "Not Applicable".

16. SIGNIFICANT & MATERIAL ORDER PASSED BY THE REGULATORS :

Save and except an Order passed by the Hon'ble High Court dated 15.12.2014 in respect of the application filed by the Company in the High Court of Judicature at Bombay to seek validation of transfer of 14,99,988 Equity Shares of Global Offshore Services Limited, wherein the Company was directed to maintain "status quo" in respect of the said shares, there was no significant and material order passed by Regulators or Courts or Tribunals impacting the future operational or the "going concern" status of the Company.

17. INTERNAL FINANCIAL CONTROL:

In the opinion of the Board of Directors, there is adequate Internal Financial Control with respect to the preparation and presentation of the financial statements which forms part of the Annual Report.

18. DETAILS OF LOANS GRANTED / INVESTMENTS MADE / GUARANTEES GIVEN U/S 186 OF COMPANIES ACT, 2013:

During the period under review (1st July, 2014 to 31st March, 2015) the Company has not granted any loan, not made any investment and not given any guarantee u/s 186 of the Companies Act, 2013 and thus the required details are "Not Applicable".

19. PERSONNEL:

The relations with Employees continue to be cordial. Your Directors wish to express their appreciation of the services rendered by the devoted Employees.

20. DETAILS OF DIRECTOR & KEY MANAGERIAL PERSONNEL:

During the period under review (1st July, 2014 to 31st March, 2015), Mrs. Shefali S. Bajaj was appointed as Director of the Company w.e.f. 5th November, 2014.

During the period under review (1st July, 2014 to 31st March, 2015) under review, Mrs. Pooja Nambiar resigned from the post of Company Secretary and Compliance Officer of the Company w.e.f. 30.08.2014 and Mrs. Nirmala Agarwal appointed as Company Secretary and Compliance Officer of the Company w.e.f. 1st December, 2014.

21. DETAILS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES PURSUANT TO SECTION 188(1) OF COMPANIES ACT, 2013:

The required information is enclosed in Annexure B.

The Policy on dealing with related party transactions and materiality of related party transactions as approved by the Board may be accessed on the Company's website.

22. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual

Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary) are covered under the policy.

The number of sexual harassment complaint/s received and disposed off during the year was Nil.

23. DEMATERILISATION OF SHARES :

The Company's Shares continue to be traded in Electronic form. As per Securities Exchange Board of India (SEBI) requirement, 100% of the Shares held by the promoters / persons acting in concert are in Electronic form.

24. CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report and Corporate Governance Report along with the Auditors Statement of its compliance are given in a separate Annexure.

25. STATEMENT ON DEVELOPMENT AND IMPLEMENTATION OF RISK POLICY :

Risk Management is a key aspect of the "Corporate Governance Principles and Code of Conduct" which aims to improve the governance practices across all Company activities. Risk management policy and processes will enable the Company to proactively manage uncertainty and changes in both internal and external environments in an attempt to capitalize on opportunities and limit negative impacts.

The risk management policy of the Company identifies, evaluates, monitors and minimizes identifiable risks.

26. SECRETARIAL AUDITOR:

The Board has appointed Mr. Rajkumar Tiwari, Practicing Company Secretary, to conduct Secretarial Audit for the period 1st July, 2014 to 31st March, 2015. The Secretarial audit report for nine months ended 31st March, 2015 is annexed herewith as Annexure C. to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

27. DISCLOSURE:

(i) CSR COMMITTEE :

The CSR Committee comprises of Mr. Aditya Garware as Chairman, Dr. B.M. Saraiya and Mr. Rajiv Khanna as other Members.

CSR Policy may be accessed on the Company's website www.garwaremarine.com

(ii) AUDIT COMMITTEE :

The Audit Committee comprises of 3 Non-Executive Directors namely Dr. B.M. Saraiya, Chairman, Mr. Aditya Garware and Mr. V.V. Desai as the Members. All the recommendations made by the Audit Committee were accepted by the Board.

(iii) VIGIL MECHANISM:

The Company has in place a Vigil Mechanism / Whistle Blower Policy, in terms of Companies Act, 2013 and Listing Agreement.

Protected Disclosure can be made by a Whistle Blower to Whistle Blower Officer or to the Chairman of Audit Committee in the manner as prescribed in the Whistle Blower Policy. The Policy on Vigil Mechanism / Whistle Blower Policy may be accessed on Company's website www.garwaremarine.com

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

Statement regarding Conservation of Energy, Technology absorption and Foreign Exchange Earnings and outgo as required under Clause (m) of Sub-Section(3) of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules 2014 is annexed herewith as Annexure D. However in view of suspension of all manufacturing activities, the same is not applicable.

29. DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES:

The information required under Section 197 read with Rule 5 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 in respect of employees of the Company and Directors is furnished in Annexure – E. As per provisions of Section 136(1) of the said Act, these particulars will be made available to a shareholder on request.

30. SUBSIDIARY / WHOLLY OWNED SUBSIDIARY (WOS):

The Company does not have a subsidiary.

During the period under review there was no Company which became or ceased to be subsidiary / joint venture or Associate Company.

31. ACKNOWLEDGEMENT:

The Board wishes to record the dynamic role of the Officers of the Company.

On Behalf of the Board

ADITYA A. GARWARE
Chairman

Date : 28th May, 2015

Place: Mumbai



Annexure A to the Directors Report
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on Nine months ended 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L12235MH1975PLC018481
ii)	Registration Date	08/08/1975
iii)	Name of the Company	GARWARE MARINE INDUSTRIES LIMITED
iv)	Category / Sub-Category of the Company	Indian Non-Government Company
v)	Address of the Registered Office and Contract details	102, Buildarch Wisteria, 1st Floor, Ram Maruti Road, Dadar (W), Mumbai. Tel-022 2423 4000
vi)	Whether listed Company	Yes
vii)	Name, Address and Contract details of Registrar and Transfer Agent, if any.	Ms. Rutika Choche Big Share Services Pvt. Ltd E-2/3, Ansa Industrial Estate Saki Vihar Road, Saki Naka, Andheri (E), Mumbai – 400 072. Tel: 40430200 / 40430365

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Repair of vessels	-	75.97

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –NIL

S. No	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1	-	-	-	-	-
2	-	-	-	-	-

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01.07.2014				No. of Shares held at the end of Nine months 31.03.2015				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1137753	-	1137753	19.73	1189389	-	1189389	20.63	0.9
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	1014683	-	1014683	17.60	962433	-	962433	16.69	-0.91
e) Banks/Fl	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	2152436	-	2152436	37.33	2151822	-	2151822	37.32	-0.01
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	2152436	-	2152436	37.33	2151822	-	2151822	37.32	-0.01

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Category of Shareholders	No. of Shares held at the beginning of the year 01.07.2014				No. of Shares held at the end of Nine months 31.03.2015				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	100	100	0	-	100	100	0	0
b) Banks/FI	-	325	325	0.01	-	325	325	0.01	0
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1) :	-	425	425	0.01	-	425	425	0.01	0
2. Non-Institutions									
a) Bodies Corp.	430390	7427	437817	7.59	327219	7352	334571	5.80	-1.79
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	1029041	870419	1899460	32.94	810221	855311	1665532	28.89	-4.05
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	1118330	-	1118330	19.39	1453161	-	1453161	25.20	5.81
c) Others (specify)									
- NRI	9264	1000	10264	0.18	7221	1000	8221	0.14	-0.04
- Trust	147452	-	147452	2.56	152452	-	152452	2.64	0.08
Sub-total (B)(2)	2734477	878846	3613323	62.66	2750274	863663	3613937	62.67	0.01
Total Public Shareholding (B)=(B)(1)+(B)(2)	2734477	879271	3613748	62.67	2750274	864088	3614362	62.68	0.01
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A + B + C)	4886913	879271	5766184	100.00	4902096	864088	5766184	100.00	0

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year 01.07.2014			Shareholding at the end of Nine months 31.03.2015			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Ashok B. Garware	774320	13.43	-	810070	14.05	-	0.62
2	Aditya Garware	178225	3.09	-	194111	3.37	-	0.28
3	Shefali Bajaj	74200	1.29	-	74200	1.29	-	0.00
4	Maneesha Shah	55050	0.95	-	55050	0.95	-	0.00
5	Late Chandrakant Balachandra Garware	30000	0.52	-	30000	0.52	-	0.00
6	Late Ramesh Balachandra Garware	9084	0.16	-	9084	0.16	-	0.00
7	Sushma Garware	6305	0.11	-	6305	0.11	-	0.00
8	A.B. Garware Huf	4700	0.08	-	4700	0.08	-	0.00
9	Shashikant Balachandra Garware	4607	0.08	-	4607	0.08	-	0.00
10	Anita C. Garware	500	0.01	-	500	0.01	-	0.00
11	Monika Rajeev Garware Modi	381	0.01	-	381	0.01	-	0.00
12	Sheela Shashikant Garware	381	0.01	-	381	0.01	-	0.00



13	Garware Polyester Ltd.	280000	4.86	-	209000	3.62	-	-1.24
14	Universal Investment Services Private Ltd.	213005	3.69	-	216755	3.76	-	0.07
15	Mauve Trading Co. Pvt. Ltd.	139410	2.42	-	139410	2.42	-	0.00
16	Global Offshore Services Ltd.	129330	2.24	-	129330	2.24	-	0.00
17	Adsu Trading And Investment Co. Pvt. Ltd.	120500	2.09	-	135500	2.35	-	0.26
18	Garware Wallropes Ltd.	50000	0.86	-	50000	0.86	-	0.00
19	Shesu Trading And Investment Co.Pvt. Ltd.	39732	0.69	-	39732	0.69	-	0.00
20	Garware Capital Markets Ltd.	30000	0.52	-	30000	0.52	-	0.00
21	Masu Trading And Investment Co. Pvt. Ltd.	12706	0.22	-	12706	0.22	-	0.00
	Total	2152436	37.33	-	2151822	37.32	-	-0.01

(iii) **Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reasons	Cumulative Shareholding during the period (01.07.2014-31.03.2015)	
		No. of shares at the beginning (01.07.2014)/ end of the period (31.03.2015)	% of total shares of the company				No. of shares	% of total shares of the company
1.	ASHOK B. GARWARE	774320	13.43	01.07.14				
				15.01.15	500		774820	13.44
				19.01.15	5000		779820	13.52
				20.01.15	3500		783320	13.58
				02.02.15	4000		787320	13.65
				10.02.15	3000		790320	13.71
				11.02.15	3000		793320	13.76
				18.02.15	5000	Market purchase	798320	13.84
				23.02.15	3000		801320	13.90
				27.02.15	1500		802820	13.92
				04.03.15	150		802970	13.93
				05.03.15	100		803070	13.93
				09.03.15	5000		808070	14.01
				13.03.15	2000		810070	14.05
		810070	14.05	31.03.15			810070	14.05
2.	ADITYA A. GARWARE	188061	3.26	01.07.14				
				09.02.15	3000	Market purchase	191061	3.31
				03.03.15	2050		193111	3.35
				17.03.15	1000		194111	3.37
		194111	3.37	31.05.15			194111	3.37
3.	UNIVERSAL INVESTMENT SERVICES PRIVATE LTD.	213005	3.69	01.07.14				
				06.02.15	750	Market purchase	213755	3.71
				10.02.15	3000		216755	3.76
		216755	3.76	31.03.15			216755	3.76
4.	ADSU TRADING AND INVESTMENT CO. PVT. LTD.	120500	2.09	01.07.14				
				08.01.15	5000	Market purchase	125500	2.18
				09.01.15	4000		129500	2.25
				19.02.15	2500		132000	2.29
				20.02.15	2500		134500	2.33
				17.03.15	1000		135500	2.35
		135500	2.35	31.03.15			135500	2.35

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Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reasons	Cumulative Shareholding during the period (01.07.2014-31.03.2015)	
		No. of shares at the beginning (01.07.2014)/ end of the period (31.03.2015)	% of total shares of the company				No. of shares	% of total shares of the company
5.	GARWARE POLYESTER LTD.	280000	4.86	01.07.14				
				08.01.15	5000	Market Sale	275000	4.77
				09.01.15	4000		271000	4.70
				15.01.15	500		270500	4.69
				19.01.15	10000		260500	4.52
				20.01.15	3500		257000	4.46
				02.02.15	4000		253000	4.39
				06.02.15	1000		252000	4.37
				09.02.15	3000		249000	4.32
				10.02.15	6000		243000	4.21
				11.02.15	3000		240000	4.16
				18.02.15	5000		235000	4.08
				19.02.15	2500		232500	4.03
				20.02.15	2500		230000	3.99
				23.02.15	3000		227000	3.94
				27.02.15	3900		223100	3.87
				28.02.15	1100		222000	3.85
				03.03.15	3000		219000	3.80
				04.03.15	3000		216000	3.75
				05.03.15	3000		213000	3.69
		13.03.15	2000	211000	3.66			
		17.03.15	2000	209000	3.62			
		209000	3.62	31.03.15		209000	3.62	

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares at the beginning/ End of the year	Percentage of total shares of the company	No. of shares	% of total shares of the company
1	Poshattiwar Sandeep V (HUF)	187500	3.25	170142	2.95
2	Shri Krishna Welfare Trust	147452	2.56	152452	2.64
3	Ketan J Karani	0	0.00	147448	2.56
4	Official Liquidator High Court Mumbai	140000	2.43	140000	2.43
5	DSG Ship Services Pvt Ltd	98089	1.70	93089	1.61
6	Firdaus S Variava	0	0.00	71000	1.23
7	Jash Ketan Karani	60046	1.04	65029	1.13
8	Dilnavaz S Variava	0	0.00	59975	1.04
9	Naira S Variava	0	0.00	60000	1.04
10	Ajay Malpani	56041	0.97	56041	0.97
11	Sureshbabu S Pai	40000	0.69	40000	0.69
12	Beena Suresh Pai	40000	0.69	40000	0.69

(v) **Shareholding of Directors and Key Managerial Personnel (KMP):**

Sl. No.	Name of the KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Ashok Garware (Part of the year)	774320	13.43	810070	14.05
2.	Mr. Aditya Garware	178225	3.09	194111	3.37
3.	Mrs. Shefali Bajaj	74200	1.29	74200	1.29
4.	Mr. Rajiv Khanna	100	0.00	100	0.00



5.	Dr. B. M. Saraiya	100	0.00	100	0.00
6.	Mr. V. V. Desai	100	0.00	100	0.00
7.	Mr. S. V. Atre	1000	0.02	1000	0.02
8.	Mrs. N. Agarwal (Part of the year)	-	-	-	-
9.	Mrs. P. S. Nambiar (Part of the year)	10	0.00	10	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment-NIL

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

Sr. No.	Particulars	Amount (Rs.)
1.	Salary	855576
2.	Leave Travel Allowance	55000
3.	Medical Allowance	55000
4.	Bonus/Ex-gratia	24394
5.	Stock Option	NIL
6.	Sweat Equity	NIL
7.	Commission	NIL
	- as % of profit	NIL
	- others, specify...	NIL
8.	Others, please specify	NIL
	Ceiling as per the Act	NIL
	Total	989970

B. Remuneration to Other Non-Executive Directors:

Name	Sitting Fees	Commission	Others	Total
Mr. Ashok Garware (Part of the year)	6000	-	-	6000
Mr. Aditya Garware	18000	-	-	18000
Mrs. Shefali Bajaj	-	-	-	-

C. Remuneration to Independent Directors:

Name	Sitting Fees	Commission	Others	Total
Dr. B. M. Saraiya	18000	-	-	18000
Mr. V. V. Desai	18000	-	-	18000
Mr. Rajiv Khanna	12000	-	-	12000

D. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	*Company Secretary	CFO	Total
1.	Gross salary	-	220988	-	220988
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-		-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	9616	-	9616
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-		-	
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	230604	-	230604

* Part of the year

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of The Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCL1 / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure B

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	NIL
2	Nature of contracts/arrangements/transaction	NIL
3	Duration of the contracts/arrangements/transaction	NIL
4	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
5	Justification for entering into such contracts or arrangements or transactions'	NIL
6	Date of approval by the Board	NIL
7	Amount paid as advances, if any	NIL
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL



2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Global Offshore Services Limited
2	Nature of contracts/arrangements/transaction	Ship repair services
3	Duration of the contracts/arrangements/transaction	ongoing
4	Salient terms of the contracts or arrangements or transaction including the value, if any	As per the agreement
5	Date of approval by the Board	29/10/1999
6	Amount paid as advances, if any	NIL

ANNEXURE "C" TO DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR NINE MONTHS ENDED 31st March, 2015

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

To,

The Members,

Garware Marine Industries Limited
102, Buildarch Wisteria, 1st Floor,
Ram Maruti Road, Dadar - (West),
Mumbai-400028

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Garware Marine Industries Limited (CIN:L12235MH1975PLC018481)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period of Nine months, **1st July, 2014 to 31st March, 2015** complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and compliances-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period, **1st July, 2014 to 31st March, 2015** according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit period)**;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not Applicable to the Company during the Audit period)**;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit period)**;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit period)**; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit period)**;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standard issued by The Institute of Company Secretaries of India; (**Not Applicable to the Company during the Audit period**);
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange(s);
During the period (1st July, 2014 to 31st March, 2015) under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no instances of:

- (i) Public/ Rights/ Preferential issue of Shares / Debentures / Sweat Equity.
- (ii) Buy-back of securities.
- (iii) Redemption of Preference shares/ Debentures
- (iv) Merger / Amalgamation / reconstruction etc.
- (v) Foreign technical collaborations.

Place: Mumbai
Date: May 21, 2015

Signature:
CS Rajkumar R. Tiwari
Company Secretary in Practice
FCS No. 4227 C.P. No. 2400

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure-A

To,

The Members,
Garware Marine Industries Limited
102, Buildarch Wisteria, 1st Floor,
Ram Maruti Road, Dadar - (West),
Mumbai-400028

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test bases to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the Provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Mumbai
Date: May 21, 2015

Signature:
CS Rajkumar R. Tiwari
Company Secretary in Practice
FCS No. 4227 C.P. No. 2400



ANNEXURE “D” TO DIRECTORS’ REPORT

STATEMENT REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER CLAUSE (m) OF SUB-SECTION(3) OF SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES 2014

		Current Year 9 months ended 01.07.2014 to 31.03.2015	Previous Year 01.07.2013 to 30.06.2014
A. POWER AND FUEL CONSUMPTION:			
FISH KNITTED FABRICS/TWINE		----	59,036
Electricity		----	6,43,663
(a) Purchased Units(in Kwh)		----	10.90
Total Amount (Rs.)		----	----
Rate Per Unit (Rs.) (Avg.)		----	----
(b) Own Generation		----	----
I) H.S.D.			
Purchased Units (in ltrs)			
Total Amount (Rs.)			
Cost per litre (Rs.)(Avg.)			
	Standard, (if any)	9 months ended 01.07.2014 to 31.03.2015	01.07.2013 to 30.06.2014
B. COST PER UNIT(KG.) OF PRODUCTION:			
FISH KNITTED FABRICS	N.A.	----	----
Electricity (Rs.)	N.A.	----	----
H.S.D.(Rs.)			

CONSERVATION OF ENERGY DURING THE YEAR UNDER REVIEW:

1. Wherever possible, energy conservation measures have been implemented.;
2. Additional investment and proposals, if any, being implemented for reduction of consumption of energy : NIL;

RESEARCH AND DEVELOPMENT (R&D)

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

Nil

2. **Benefits derived as a result of the above R & D:**

N.A.

3. **Further plan of action:**

Nil

4. **Expenditure on R & D:**

No amount was spent on R & D during the period.

TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION:

1. **Efforts in brief made towards Technology Absorption, Adaption and Innovation:**

Not applicable.

2. **Benefits derived as a result of the above efforts:**

Not applicable.

3. **Information regarding technology imported during the last 5 years reckoned from the beginning of the financial year:**

Not applicable.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total foreign exchange earned - NIL

Total foreign exchange used - NIL

REPORT ON CORPORATE GOVERNANCE

1. STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense.

2. BOARD OF DIRECTORS:

The Board of Directors of the Company comprises of Six (6) Professionally Well-Qualified Members. Mr. Ashok B. Garware was the Chairman till 30th August, 2014 and Mr. Aditya A. Garware is now Chairman (w.e.f. 30th August, 2014). Mr. S.V. Atre is the Executive Director of the Company. During the period (1st July, 2014 t 31st March, 2015) under review, Mrs. Shefali Bajaj was appointed as Non-Executive Director of the Company w.e.f. 5th November, 2014.

Dr. B. M. Saraiya, Mr. V. V. Desai and Mr. Rajiv Khanna are Independent Directors of the Company.

During the period of Nine months (1st July, 2014 to 31st March, 2015) under review, 3 Board Meetings were held as detailed below and the maximum time gap between two Board Meetings did not exceed 4 months:

Date of Board Meetings-

1. 30th August, 2014
2. 5th November, 2014
3. 30th January, 2015

Name of Directors	No. of Board Meetings Attended	Attendance at last AGM	Remarks	No. of Other Committee Directorship		No. of other Directorships
				Chairman	Member	
Mr. Ashok B. Garware (Chairman) (*)	1	Yes	Director-Promoter	1	1	7
Mr. Aditya A. Garware (Chairman) (**)	3	Yes	Director-Promoter	-	1	10
Mrs. Shefali S. Bajaj (***)	1	Yes	Non-Executive Director	-	-	1
Mr. V. V. Desai	3	Yes	Independent Director	-	-	1
Dr. B. M. Saraiya	3	Yes	Independent Director	-	-	-
Mr. Rajiv S. Khanna	2	Yes	Independent Director	-	-	-
Mr. S. V. Atre	2	Yes	Executive Director	-	-	1

(*) Resigned w.e.f. 30th August, 2014

(**) Vice Chairman till 30th August, 2014 and Chairman w.e.f. 30th August, 2014

(***) Appointed as Non-Executive Director w.e.f. 05th November, 2014.

During the year under review, the Directors were paid Sitting fees of Rs.6,000/- per meeting of the Board of Directors.

As stipulated under Clause 49 (II) of the Listing Agreement, no Director is a Member of more than 10 Committees or a Chairman of more than 5 Committees across all the companies in which he is a Director.

(Note: Committees being Audit Committee and the Stakeholders Committee)

3. AUDIT COMMITTEE:

Composition:

The Audit Committee consists of 3 members' viz. Mr. Aditya A. Garware, Dr. B. M. Saraiya and Mr. V. V. Desai. Dr. B. M. Saraiya acts as a Chairman of the Committee. All three committee members are Non-Executive Directors.

The Company Secretary acts as a Secretary to the Committee.

Terms of Reference:

The Committee's composition meets with requirements of Section 177 of Companies Act, 2013 and Clause 49 of Listing Agreement. Members of Audit Committee possess financial / accounting expertise / exposure.

i) POWER OF AUDIT COMMITTEE :

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if considered necessary.

ii) ROLE OF AUDIT COMMITTEE:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 2. Recommendation for appointment of auditors of the company including payment of remuneration and other terms; and
 3. Approval of payment to statutory auditors for any other services rendered by them.
4. Reviewing (with the management if required), the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
- a. Matters required to be included in the Director's Responsibility Statement in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertaking or assets of the Company, wherever necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to depositors,
18. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
19. To review the functioning of the Whistle Blower mechanism;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Meetings:

3. Audit Committee Meetings were held during the period 1 July, 2014 to 31st March, 2015 as detailed herein below:

Date of Audit Committee Meetings	Name of the Members of Audit Committee & Attendance		
	Dr. B. M. Saraiya (Chairman)	Mr. Aditya A. Garware	Mr. V. V. Desai
30 th August, 2014	✓	✓	✓
5 th November, 2014	✓	✓	✓
30 th January, 2015	✓	✓	✓

4. NOMINATION & REMUNERATION COMMITTEE – (Constituted w.e.f. 30.08.2014):

Composition:

Nomination and Remuneration Committee consists of the 3 Independent Directors viz. Dr. B. M. Saraiya as Chairman and Mr. V. V. Desai and Mr. Rajiv Khanna as Committee Members.

Terms of Reference:

The broad terms of reference of the Committee include :

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in a similar industry as that of the Company.
- To carry out evaluation of the performance of Directors, as well as Key Managerial Personnel and Senior Management.
- To provide to Directors, KMPs and Senior Management reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Attendance during the year

Date of the meeting	Dr. B. M. Sararya	Mr. V. V. Desai	Mr. Rajiv Khanna
30-8-2014	✓	✓	✓
5-11-2014	✓	✓	✓



Remuneration paid to Non-Executive Directors during the period 1st July, 2014 to 31st March 2015:

Name	Sitting Fees (including TDS)
Mr. Ashok Garware	6000
Mr. Aditya Garware	18000
Mrs. Shefali Bajaj	-
Dr. B. M. Saraiya	18000
Mr. V. V. Desai	18000
Mr. Rajiv Khanna	12000

Details of the remuneration paid to Mr. S.V. Atre, Executive Director during the period 1st July, 2014 to 31st March, 2015 under review is:

Sr. No.	Particulars	Amount (Rs.)
1.	Salary	855576
2.	Leave Travel Allowance	55000
3.	Medical Allowance	55000
4.	Bonus/Ex-gratia	24394
	Total	989970

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Dr. B. M. Saraiya acts as a Chairman of the Committee.

Mrs. Nirmla Agarwal – Company Secretary acts as a Compliance Officer.

No. of Shareholders complaints received during the year : 13

No. of complaints not solved to the satisfaction of the Shareholders : NIL

No. of pending complaints: NIL

6. GENERAL BODY MEETINGS:

The details of date, time and location of Annual General Meetings (AGM) for last three years are as follows:

Financial Year	Date	Time	Location
2013-14 36 th AGM	19 TH December, 2014	10:30 A.M.	“Garware Sabhagriha”, 5 th Floor, F.P.H. Building, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034
2012-13 35 th AGM	15 th November, 2013	9:30 A.M.	“Garware Sabhagriha”, 5 th Floor, F.P.H. Building, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034
2011-12 34 th AGM	28 th December 2012	9:30 A.M.	“Garware Sabhagriha”, 5 th Floor, F.P.H. Building, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034

All resolutions including special business as set out in above Notices were passed by the Shareholders at the AGM.

Details of Special Resolutions passed during the last 3 Annual General Meetings:

Financial Year	Items for Special Resolutions passed
2013-14	: Alteration of Articles of Association of the Company
2012-13	: No Special Resolution was passed
2011-12	: No Special Resolution was passed

Postal Ballot:

No Special Resolution passed through Postal Ballot during the period 1st July, 2014 to 31st March, 2015.

7. DISCLOSURES:

- (i) There were no related Party Transactions, which had potential conflict with the interest of the Company at large.
- (ii) There was no instance of non-compliance nor have any penalty, stricture been imposed by any stock exchange or SEBI or any other statutory authority during the last three years on any matter related to capital market.

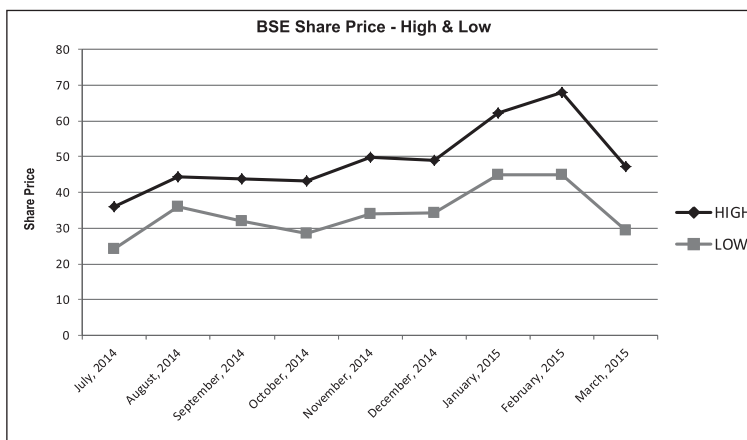
(iii) **WHISTLE BLOWER POLICY:**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a vigil mechanism/Whistle Blower Policy under which the employees are free to report violation of applicable laws and regulations and the code of conduct. During the period (1st July, 2014 to 31st March, 2015) no employee was denied access to the Chairman of Audit Committee.

- (iv) The Statutory Auditors Certificate on Compliance of Corporate Governance is enclosed.

8. HIGH AND LOW OF THE SHARE PRICE ON THE BOMBAY STOCK EXCHANGE LTD FOR THE PERIOD 1ST JULY, 2014 TO 31ST MARCH, 2015:

Month	BSE	
	HIGH	LOW
July, 2014	36.05	24.20
August, 2014	44.50	36.00
September, 2014	43.90	31.85
October, 2014	43.25	28.60
November, 2014	49.70	33.85
December, 2014	49.00	34.30
January, 2015	62.30	45.00
February, 2015	67.85	45.00
March, 2015	47.25	29.50



9. GENERAL SHAREHOLDER INFORMATION:

37th Annual General Meeting:	
Date :	30 th September, 2015
Time :	11.00 A.M.
Venue :	Garware Sabhagriha", F.P.H. Building, 5 th Floor, Lala Lajpatrai Marg, Haji Ali, Mumbai – 400034.



Financial Year	The Company now follows April to March as its financial year in compliance with Section 2(41) of the Companies Act, 2013. The Un-audited results for the quarter ended June, September, December are declared within 45 days of the end of the quarter. The Audited results for the last quarter is declared within 60 days of the end of the financial year.	
	Financial Year	1 st April 2015 to 31 st March, 2016
	Un-audited Financial Result for the 1 st Quarter Ending 30 th June, 2015.	Within 45 days from the last day of the quarter.
	Un-audited Financial Result for the 2 nd Quarter Ending 30 th September, 2015.	Within 45 days from the last day of the quarter.
	Un-audited Financial Result for the 3 rd Quarter Ending 31 st December, 2015.	Within 45 days from the last day of the quarter.
	Audited Financial Result for the 4 th Quarter & year Ending 31 st March, 2016.	Within 60 days from the end of financial year.
	Annual General Meeting for the Year Ending 31 st March, 2016	Before the end of September, 2016.
Date of Book Closure	Wednesday, 23 rd September, 2015 to 30 th September, 2015 (both days inclusive)	
Dividend Payment Date	N.A.	
Listing on Stock Exchanges	The Company's shares are presently listed on the Bombay Stock Exchange (BSE) Limited	
Stock Code	509563	
ISIN Number	INE 925D01014	

Registrar and Transfer Agents	Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai – 400 072 Tel : 022 – 2857 3108 / 2847 0652 / 2847 0652 Fax 022- 2847 5207 Email: info@bigshareonline.com
Auditors' Certificate on Corporate Governance	As required under the provisions of Clause 49 of the Listing Agreement, the Auditors' Certificate is given as an annexure to the Directors' Report.
Distribution of Shareholding & Category-wise distribution	Please Refer Annexure A
Dematerialisation of shares and liquidity	As on 31 st March, 2015, 85.01% of total paid up Equity Capital has been dematerialised
Publication of the Quarterly Un-audited Financial Results in	English - Free Press Journal Marathi - Navshakti Website : www.garwaremarine.com
GDRS / ADRS	Not Applicable
Address for Correspondence	Garware Marine Industries Ltd. 102, Buildarch Wisteria, 1 st Floor, Ram Maruti Road, Dadar (W), Mumbai-400028 Tel.No.22-24234000 Fax No.22-24362764 Email: investorredressal@garwaremarine.com
Plant Location	N. A.

10. CODE OF CONDUCT:

Pursuant to Clause 49 of the Listing Agreement, the Company has prescribed and affirmed a Code of Conduct for the Board of Directors and Senior Management of the Company.

A Declaration duly signed by Executive Director is obtained by the Company.

11. CEO/CFO CERTIFICATION:

The Company has obtained from the Executive Director, a Certificate, Pursuant to Clause 49(IX) of the Listing Agreement.

On Behalf of the Board

ADITYA A. GARWARE
Chairman

Date: 28.05.2015

Place: Mumbai

ANNEXURE “A”

THE DISTRIBUTION OF EQUITY SHAREHOLDING AS ON 31ST MARCH, 2015 IS AS FOLLOWS:

Share holding of Nominal Value of			Share Holder		Share Amount	
(Rs.)	(1)	(Rs.)	Number (2)	% to Total (3)	In Rs. (4)	% to Total Amount (5)
1	to	500	9,084	94.51	1,10,47,210	19.16
5001	to	10000	297	3.09	23,03,410	4.00
10001	to	20000	110	1.14	15,79,010	2.74
20001	to	30000	26	0.27	6,57,220	1.14
30001	to	40000	9	0.09	3,13,400	0.54
40001	to	50000	15	0.16	6,95,660	1.21
50001	to	100000	13	0.14	10,17,170	1.76
100001	to	999999	58	0.60	4,00,48,760	69.45
TOTAL			9,612	100.00	5,76,61,840	100.00

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2015 IS AS FOLLOWS:

Sl. No.	Category	No. of Shares Held	% of Total Paid up Capital
A)	Promoters Holding		
	• Individuals/HUFs	11,89,389	20.63
	• Bodies Corporates (Holding Co./Subsidiaries & Affiliates)	9,62,433	16.69
	• Foreign Promoters/Bodies Corporates	-	-
	Total – Promoter Holding	21,51,822	37.32
B)	Non-Promoters Holding		
	1. Institutional Investors :	100	0.00
	a. UTI/Mutual Fund	325	0.01
	b. Financial Institution/Banks	-	-
	c. State Government	-	-
	Sub Total	425	0.01
	2. Foreign Holding :		
	a. FII's	-	-
	b. NRIs	8,221	0.14
	Sub Total	8,221	0.14
	3. Other Bodies Corporates	3,34,571	5.80
	4. Indian Public	31,18,693	54.09
	5. Others-Trusts	1,52,452	2.64
	Total – Non Promoter Holding	36,05,716	62.53
	Grand Total	57,66,184	100.00



AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To,

The Members,

Garware Marine Industries Limited

We have examined the compliance of the conditions of Corporate Governance by Garware Marine Industries Limited (the Company) for the period 1st July, 2014 to 31st March, 2015 with the relevant Records and Documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

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 the compliance of the conditions of Corporate Governance. It is neither an audit nor expression of opinion on the financial statement of the Company.

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

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s) with the Stock Exchange(s) have been complied with in all material respects by the Company.

Based on the certificate received from share transfer agent of the Company and the minutes of share transfer and shareholders grievance committee, we hereby state that no investor grievance is pending for the period exceeding one month.

For RAMAN S. SHAH & ASSOCIATES
Chartered Accountants
Santosh A. Sankhe
Partner
M.No.100976

Date : 28.05.2015

Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRIAL STRUCTURE & DEVELOPMENT:

Your Company continues to operate its Ship Repair Division. The factory producing Fishing Nets has been shut down and all workmen have been paid a severance package. The machinery of the factory has been sold as well and possession of Land and Building will be handed over to the new owner shortly.

OPPORTUNITIES:

The Company's repair division continues to do well and we expect the same to sustain Company operations in the future.

THREATS :

With global depression in the Shipping and Offshore Sectors, owners are less inclined to spend extensively on repairs of their Vessels. Therefore, unless current situation in the Shipping Industry improves, the Company's repair activities could face challenging times ahead.

OUTLOOK:

As indicated above the Company's repair division could face challenging times ahead. However, the fact that the Company's overheads are very low and that it is almost debt free, should help in their difficult times.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

Your Company has an Internal Control System commensurate with the business of the Company to mitigate all types of unforeseen risks effectively.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:

Cordial relations were maintained at all the levels.

FORWARD-LOOKING STATEMENTS:

Statements in this Management Discussion and Analysis report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events. The Company's actual results could differ materially from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events. Further, important factors that could make a difference to the Company's performance are tax regimes; and acts of God.

AUDITORS' REPORT

TO THE MEMBERS OF M/S. GARWARE MARINE INDUSTRIES LTD.

Report on the Financial Statement

We have audited the accompanying financial statements of **M/S GARWARE MARINE INDUSTRIES LTD** ("the Company"), which comprise of the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss for the period ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The company's Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under the Section 133 of the Companies Act, 2013, read with rule 7 of the Companies(Accounts) Rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view 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 controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and *subject to Note No.22(6) regarding to non-provision for diminution in the value of shares and amount recoverable from GARWARE NYLONS LTD* the financial statements give the information required by the Act in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India

- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (ii) In the case of Statement of Profit & Loss, of the loss for the period ended on that date ;
- (iii) In the case of the cash flow statement, of the cash flows for the period ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required under provisions of section 143(3) of the Companies Act, 2013, we report that:

- (a) We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose 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 those books;
- (c) The Balance Sheet, Statement of Profit and Loss dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies(Accounts) Rules 2014.
- (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors , none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of sub-section (2) of section 164 of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) 2014, in our opinion and to the best of our information and according to the explanations given to us;
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer note 22(1) to the financial statements.
 - In our opinion and as per the information and explanations provides to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses and'
 - There has been no delay in transferring the amounts, required to be transferred , to the Investor Education and Protection Fund by the Company.

For RAMAN S. SHAH & ASSOCIATES
Chartered Accountants
Firm Reg. No. 119891W

SANTOSH A. SANKHE
Partner
M.No.100976

PLACE : Mumbai

DATE : 28th May, 2015

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

REFERRED TO IN PARAGRAPH OF OUR REPORT OF EVEN DATE

In the Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the period ended 31 March 2015, we report that:

- In respect of its Fixed Assets
 - The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year in a phased manner, which in our opinion, is reasonable, having regard to the size of the Company and nature of the assets. , No material discrepancies were noticed on such verification. In our opinion, the Company has not disposed of substantial part of fixed assets during the period and the going concern status of the Company is not affected.
- In respect of its Inventories
 - As explained to us, inventories have been physically verified by the management at regular intervals during the year.
 - In our opinion and according to the information & explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.

- 3 The Company has not granted loan to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
The Company has not granted unsecured loans and Inter-Corporate Deposits to Companies covered in the Register maintained under Section 189 of the Act. Hence provisions of clauses (iii)(a) & (c) of paragraph 3 of the order are not applicable to the Company.
- 4 In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. We have not observed any major weakness in the internal control system during the course of the audit.
- 5 The Company has not accepted any deposits from the public.
- 6 The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the sales and services rendered by the Company.
- 7 In respect of undisputed statutory dues
According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the period by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.
- 8 In respect of accumulated losses & Cash Losses
The Company has accumulated losses of Rs. 431.52 lakh Including cash losses of Rs. 74.79 lakh incurred during the financial period covered by our audit.
- 9 The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- 10 In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- 11 The Company did not have any term loans outstanding during the year.
- 12 According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For RAMAN S. SHAH & ASSOCIATES

Chartered Accountants
Firm Reg. No. 119891W

SANTOSH A. SANKHE

Partner
M.No.100976

PLACE : Mumbai
DATE: 28th May, 2015



BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	As at 31st March, 2015 Rupees	As at 30th June, 2014 Rupees
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	2	5,76,61,840	5,76,61,840
Reserves and Surplus	3	<u>(12,89,709)</u>	<u>63,34,510</u>
		<u>5,63,72,131</u>	<u>6,39,96,350</u>
Current liabilities			
Trade payables	4	10,40,702	50,60,307
Other current liabilities	5	75,37,865	97,09,920
Short Term Provisions	6	5,60,000	-
		<u>91,38,567</u>	<u>1,47,70,227</u>
TOTAL		<u>6,55,10,698</u>	<u>7,87,66,577</u>
II. ASSETS			
Non-current assets			
Fixed assets	7		
(i) Tangible assets		1,67,966	3,54,159
(ii) Intangible assets		<u>1,299</u>	<u>8,078</u>
		<u>1,69,265</u>	<u>3,62,237</u>
Non-current investments	8	90,21,867	90,21,867
Deferred Tax Assets	9	24,00,000	32,00,000
Current Assets			
Inventories	10	98,22,569	98,22,569
Trade receivables	11	3,34,07,761	3,23,17,787
Cash and cash equivalents	12	23,40,201	61,30,814
Short-term loans and advances	13	62,26,412	63,84,641
Other Current Assets	14	21,22,623	1,15,26,662
		<u>5,39,19,566</u>	<u>6,61,82,473</u>
TOTAL		<u>6,55,10,698</u>	<u>7,87,66,577</u>

See accompanying notes forming part of the financial statements 1 to 22

As per our Report of even date attached

For and on behalf of the Board

For Raman S. Shah & Associates

Chartered Accountants
Firm Reg. No. 119891W

A. A. Garware

Chairman

S. V. Atre

Executive Director

Santosh A. Sankhe

Partner
Membership No. 100976

Mumbai, 28th May 2015

N. G. Agarwal

Company Secretary

Mumbai, 28th May 2015

GARWARE MARINE INDUSTRIES LIMITED37th Annual Report 2014-15**PROFIT AND LOSS ACCOUNT STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2015**

Particulars	Note No.	Period Ended 31st March, 2015 Rupees	Year Ended 30th June, 2014 Rupees
I Revenue from operations (Gross)	15	92,98,750	1,59,69,090
II Other Income	16	29,42,062	4,06,73,851
III Total Revenue (I+II)		<u>1,22,40,812</u>	<u>5,66,42,941</u>
IV Expenses			
Cost of materials consumed	17	-	6,59,633
Change in inventories of finished goods and work in progress	18	-	35,89,085
Employee benefit expenses	19	42,74,730	6,55,17,302
Finance cost	20	3,80,293	10,17,442
Depreciation and amortisation expenses		1,45,039	1,63,406
Other expenses	21	1,37,04,969	1,99,06,842
Total expenses		<u>1,85,05,031</u>	<u>9,08,53,710</u>
V Profit / (Loss) before Tax (III-IV)		<u>(62,64,219)</u>	<u>(3,42,10,769)</u>
VI Less : Tax expenses			
Current tax		5,60,000	-
Deferred tax		8,00,000	(23,08,080)
Tax for earlier years		-	9,96,424
		<u>13,60,000</u>	<u>(13,11,656)</u>
VII Profit / (Loss) for the year (V-VI)		<u>(76,24,219)</u>	<u>(3,28,99,113)</u>
VIII Earnings per share	22(9)		
Basic Earning per share		(1.32)	(5.71)
Diluted Earning per share		(1.32)	(5.71)

See accompanying notes forming part of the financial statements 1 to 22

As per our Report of even date attached

For and on behalf of the Board

For Raman S. Shah & Associates

Chartered Accountants

Firm Reg. No.119891W

A. A. Garware

Chairman

S. V. Atre

Executive Director

Santosh A. Sankhe

Partner

Membership No. 100976

Mumbai, 28th May 2015

N. G. Agarwal

Company Secretary

Mumbai, 28th May 2015



CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2015

Particulars	Period Ended 31.03.2015 (Rupees)	Year Ended 30.06.2014 (Rupees)
A. Cash Flow arising from Operating Activities :		
Net profit / (loss) before tax and extraordinary items	(62,64,219)	(3,42,10,769)
Add / (Less) :		
a) Depreciation charges	1,45,039	1,63,406
b) Interest charges	3,80,293	10,17,442
c) Bad debts w/off	98,00,560	1,35,34,553
d) (Profit) / Loss on sale of assets	8,79,072	(3,79,44,152)
e) Dividend Income	(17,82,912)	(11,88,608)
f) Interest Income	-	(3,34,966)
g) Taxes Paid	(2,33,977)	(3,63,608)
Operating Profit / (loss) before working changes	29,23,857	(5,93,26,702)
Add :		
a) Decrease in Trade & other receivable	-	20,48,934
b) Decrease in Loans & Advances	3,92,206	16,76,397
c) Decrease in inventories	-	36,85,509
d) Decrease in other current assets	84,91,000	-
	88,83,206	74,10,840
(Less) a) Increase in Trade & Other Receivables	(1,08,90,534)	-
b) Decrease in Trade Payable	(40,19,606)	(27,72,893)
c) Decrease in Current Liabilities	(17,85,879)	(70,90,660)
	(1,66,96,019)	(98,63,553)
Net cashflow from operating Activities	(48,88,956)	(6,17,79,414)
B. Cash Flow arising from Investing Activities :		
Outflow on account of investing activities		
a) Acquisition of fixed assets (Incl. Capital WIP)	(48,100)	-
Inflow on account of investing activities		
a) Sale of fixed assets	1,30,000	6,53,70,667
Net cashflow from investing Activities	81,900	6,53,70,667
C. Cash Flow arising from Finance Activities :		
Inflow on account of Financing activities		
a) Interest Income	-	3,34,966
b) Dividend Income	17,82,912	11,88,608
Outflow on account of Financing activities		
a) Dividend with tax paid	(3,86,176)	(4,79,734)
b) Interest on loans paid	(3,80,293)	(10,17,442)
Net cashflow from financing Activities	10,16,443	26,398
Net increase in cash / cash equivalent [A + B + C]	(37,90,613)	36,17,651
Add : Balance at the beginning of the year	61,30,814	25,13,163
Cash / Cash equivalents at the close of the year	23,40,201	61,30,814
Notes to cash flow :		
Components of cash flow :		
Cash - On - Hand	19,398	1,15,169
Demand deposits with bank (Bank balances)	23,20,803	60,15,645
	23,40,201	61,30,814
For and on behalf of the Board		
	A. A. Garware Director	S. V. Atre Executive Director
	N. G. Agarwal Company Secretary	
Mumbai, 28th May , 2015		

AUDITORS' CERTIFICATE

To,
The Board Of Directors,
GARWARE MARINE INDUSTRIES LIMITED,
Mumbai.

We have examined the attached cash flow statement of GARWARE MARINE INDUSTRIES LIMITED for the Period ended 31st March, 2015. The statement has been prepared by the Company in accordance with the requirement of clause 32 of the listing agreement with the stock exchange and is based on and in agreement with corresponding profit and loss account and balance sheet of the Company covered by our report of the even date, to the members of the Company.

As per our report of even date attached

For RAMAN S. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 119891W

Place : Mumbai
Date : 28th May , 2015

Santosh A. Sankhe
(Partner)
M. No.100976

NOTES ON FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2015

NOTE 1

Significant Accounting Policies

A. System of Accounting :

The Company generally follows the accrual basis of accounting both as to Income and Expenditure except those with significant uncertainties. Financial Statements are based on Historical costs.

B. Depreciation :

Depreciation is systematically allocated over the useful life of an asset on straight line method at rates specified in part C of schedule II of The Companies Act, 2013.

C. Fixed Assets :

All Fixed Assets are stated at cost less Depreciation.

D. Inventories :

Items of Inventories are valued on the basis given below :

Raw Materials....	At cost
Work - in - Process	At cost
Stores, Spare, Packing Material & Fuel	At cost
Finished Goods	At cost or Realisable value whichever is lower

E. Investment :

Investments are stated at cost of acquisition. No provision for diminuation of permanent nature is provided on long term Investments.

F. Foreign Exchange Transactions :

Transactions are accounted on exchange rate prevailing on the date of Accounting of Transaction.

G. Staff Benefits :

The Company contributes to the Group Gratuity Scheme of Life Insurance Corporation of India for the Employees. The contribution is accounted in the year of payment. Leave encashment is also accounted on actual payment basis.

NOTE 2 Share Capital	As at 31st March 2015		As at 30th June 2014	
	Number	Rupees	Number	Rupees
Authorised Capital				
Equity Share Capital				
Equity Shares of Rs. 10/- each	99,00,000	9,90,00,000	99,00,000	9,90,00,000
Preference Share Capital				
11% Cumulative Redeemable Preference Shares of Rs. 100/- each, Redeemable at par on the expiry of 15 years from the date of allotment but at the option of the Company at any time after 12 years from the date of allotment by giving 3 months prior notice	10,000	10,00,000	10,000	10,00,000
Total	<u>99,10,000</u>	<u>10,00,00,000</u>	<u>99,10,000</u>	<u>10,00,00,000</u>
Issued, Subscribed and Paid-up				
Equity Share Capital				
57,66,184 (Previous year 57,66,184) Equity Shares of Rs.10/- each fully paid (Of the above 3,20,000 Equity Shares of Rs.10/- each were issued as fully paid Bonus Shares by capitalisation of General Reserves)	57,66,184	5,76,61,840	57,66,184	5,76,61,840
Total	<u>57,66,184</u>	<u>5,76,61,840</u>	<u>57,66,184</u>	<u>5,76,61,840</u>

NOTES ON FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2015

a) Reconciliation of Equity Shares Outstanding

Particulars	Equity Shares	
	Number	Rupees
Shares outstanding at 1st July 2014	57,66,184	5,76,61,840
Shares Issued during the period	-	-
Shares bought back during the period	-	-
Shares outstanding at 31st March 2015	57,66,184	5,76,61,840

b) Details of Shareholders holding more than 5% shares

Name of Shareholder	As at 31st March 2015		As at 30th June 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ashok B. Garware	8,10,070	14.05%	7,74,320	13.43%

NOTE 3 Reserves & Surplus	As at 31st March 2015	As at 30th June 2014
	Rupees	Rupees
a. Securities Premium Account	3,31,07,872	3,31,07,872
b. General Reserves	77,29,644	77,29,644
c. Capital Redemption Reserve	5,00,000	5,00,000
d. Capital Reserve	5,25,080	5,25,080
e. Surplus in Profit and Loss Statement		
Opening balance	(3,55,28,086)	(26,28,973)
(+) Net Profit / (Loss) For the current year	(76,24,219)	(3,28,99,113)
Closing Balance	(4,31,52,305)	(3,55,28,086)
Total	(12,89,709)	63,34,510

NOTE 4 Trade Payables	As at 31st March 2015	As at 30th June 2014
	Rupees	Rupees
Micro, Small & Medium Enterprises	-	-
Others	10,40,702	50,60,307
Total	10,40,702	50,60,307

4.1 As per the information available with the Company, there are no Micro and Medium Enterprises, as defined in the Micro small, Medium Enterprise Development Act 2006 to whom the Company owes on account of principal amount together with the interest and accordingly no additional disclosures have been made.

NOTE 5 Other Current Liabilities	As at 31st March 2015	As at 30th June 2014
	Rupees	Rupees
Unclaimed Dividends (To be credited to the Investor Education & Protection Fund as and when due)	7,64,451	11,50,627
Duties & Taxes Payables	1,21,177	3,37,989
Other Payables	66,52,237	82,21,304
Total	75,37,865	97,09,920

NOTES ON FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2015

NOTE 6 Short Term Provisions	As at 31st March 2015	As at 30th June 2014
	Rupees	Rupees
Provision for Taxation	5,60,000	-
Total	<u>5,60,000</u>	<u>-</u>

Note : 7

Fixed Asset

Amount in Rupees

Sr. No	Particulars	Gross Block			Depreciaton					Net Block		
		As at 01.07.2014	Addition during the period	Deduction during the period	As at 31.03.2015	As at 01.07.2014	During the Period	On account of change in useful life	On Sale of Assets	As at 31.03.2015	As at 31.03.2015	As at 30.06.2014
A	Tangible Assets											
1	Furniture & Fixtures	11,83,553	-	-	11,83,553	11,26,656	-	-	-	11,26,656	56,897	56,897
2	Office Equipment	6,34,690	-	-	6,34,690	5,99,176	-	3,784	-	6,02,960	31,730	35,514
3	Vehicles	11,16,184	-	5,02,540	6,13,643	9,55,369	35,109	29,673	4,06,507	6,13,644	-	1,60,815
4	Computers	6,87,187	48,100	-	7,35,287	5,86,254	2,196	67,498	-	6,55,948	79,339	1,00,933
	TOTAL	36,21,614	48,100	5,02,540	31,67,173	32,67,455	37,305	1,00,955	4,06,507	29,99,208	1,67,966	3,54,159
B	Intangible Assets											
	Computer Software	26,000	-	-	26,000	17,922	-	6,779	-	24,701	1,299	8,078
	TOTAL	26,000	-	-	26,000	17,922	-	6,779	-	24,701	1,299	8,078
	Grand Total (A+B)	36,47,614	48,100	5,02,540	31,93,173	32,85,377	37,305	1,07,734	4,06,507	30,23,909	1,69,265	3,62,237
	Previous Year	13,33,52,575	-	12,97,04,961	36,47,614	9,38,73,752	1,63,408	-	9,07,51,783	32,85,377	3,62,237	

NOTE 8

Investments

Investments	As at 31st March 2015	As at 30th June 2014
	Rupees	Rupees
SHARES :		
A Quoted		
14,85,760 (Previous year 14,85,760) Equity Shares of face value of Rs.10/- each fully paid of Global Offshore Services Ltd. (Market Value Rs. 95,72,00,880/-, Previous Year Rs. 54,46,79,616/-)	81,82,886	81,82,886
B Unquoted		
42,550 (Previous Year 42,550) Equity Shares of Rs.10/- each fully paid of Garware Nylon Ltd.	3,96,981	3,96,981
3,000 Equity Shares of Rs.100/- each of Garware Goa Nets Ltd. (Formerly Known as Sainet Limited)	4,17,000	4,17,000
2,500 Equity Shares of Rs.10/- each of The Shamrao Vithal Co-operative Bank Ltd.	25,000	25,000
Total	<u>90,21,867</u>	<u>90,21,867</u>

NOTES ON FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2015

NOTE 9 Deferred tax Assets	As at 31st March 2015	As at 30th June 2014
	Rupees	Rupees
Dissallowance under Income Tax Act	24,00,000	32,00,000
Total	24,00,000	32,00,000

NOTE 10 Inventories	As at 31st March 2015	As at 30th June 2014
	Rupees	Rupees
a. Finished goods including Traded Goods *	29,58,263	29,58,263
*(At cost or realisable value whichever is lower as certified by a director)		
b. Stores, Spares and Packing Material (At Cost)	68,64,306	68,64,306
Total	98,22,569	98,22,569

NOTE 11 Trade Receivables (Unsecured, Considered Good)	As at 31st March 2015	As at 30th June 2014
	Rupees	Rupees
(a) Debts outstanding for more than six months	3,34,07,761	-
(b) Other Debts	-	3,23,17,787
Total	3,34,07,761	3,23,17,787

NOTE 12 Cash & Cash Equivalants	As at 31st March 2015	As at 30th June 2014
	Rupees	Rupees
a. Balances with banks		
Current Accounts	2,53,181	9,08,018
Unpaid Dividend Accounts	7,64,451	11,50,627
Fixed Deposits	13,03,171	39,57,000
	23,20,803	60,15,645
b. Cash on hand	19,398	1,15,169
Total	23,40,201	61,30,814

NOTE 13 Short Term Loans and Advances (Unsecured, Considered Good)	As at 31st March 2015	As at 30th June 2014
	Rupees	Rupees
Advances recoverable in cash or in kind or for value to be received	17,23,625	17,15,831
Balance with Excise Authorities	6,59,986	6,59,986
Advance Tax and Tax Deducted at Source	19,66,278	17,32,301
Deposits	18,76,523	22,76,523
Total	62,26,412	63,84,641

NOTE 14 Other Current Assets (Unsecured, Considered Good)	As at 31st March 2015	As at 30th June 2014
	Rupees	Rupees
Assets held for disposal	21,22,623	1,15,26,662
Total	21,22,623	1,15,26,662

NOTES ON FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2015

NOTE 15 Revenue from Operations	Period Ended 31st March 2015	Year Ended 30th June 2014
	Rupees	Rupees
Sales (Gross)	-	29,42,965
Other Operating Revenue	92,98,750	1,30,26,125
Total	92,98,750	1,59,69,090

NOTE 16 Other Income	Period Ended 31st March 2015	Year Ended 30th June 2014
	Rupees	Rupees
Interest Income (Gross)	1,21,484	3,34,966
Dividend Income	17,82,912	11,88,608
Profit on sale of Assets	33,967	3,79,44,152
Royalty Income	3,72,805	-
Miscellaneous Income	6,30,894	12,06,125
Total	29,42,062	4,06,73,851

NOTE 17 Cost of Materials Consumed	Period Ended 31st March 2015	Year Ended 30th June 2014
	Rupees	Rupees
Stores and Spares Consumed		
Opening Stock of Stores & Spares	68,64,306	69,60,730
Add: Purchases	-	5,63,209
Less: Closing Stock	68,64,306	68,64,306
Total	-	6,59,633

NOTE 18 Change in Inventories of finished goods and work in progress	Period Ended 31st March 2015	Year Ended 30th June 2014
	Rupees	Rupees
Opening Stock		
Finished Goods (Including Traded Goods)	29,58,263	65,47,348
Semi-finished Goods	-	-
	29,58,263	65,47,348
Closing Stock		
Finished Goods (Including Traded Goods)	29,58,263	29,58,263
Semi-finished Goods	-	-
	29,58,263	29,58,263
(Increase)/Decrease in inventories of finished goods and work in progress	-	35,89,085

NOTE 19 Employee Benefit Expenses	Period Ended 31st March 2015	Year Ended 30th June 2014
	Rupees	Rupees
(a) Salaries, Wages & Other allowances	38,91,838	4,94,64,524
(b) Contributions to -		
(i) Provident Fund	1,41,490	2,98,353
(ii) EDLIS	5,076	8,476
(iii) P.F. / EDLIS Administrative Expenses	12,530	27,517
(iv) ESIC	2,451	13,489
(v) Maharashtra Labour Welfare fund	720	3,060
(c) Gratuity fund contributions	61,840	1,54,50,174
(d) Staff welfare expenses	1,58,785	2,51,709
Total	42,74,730	6,55,17,302

NOTE 20 Finance Cost	Period Ended 31st March 2015	Year Ended 30th June 2014
	Rupees	Rupees
Interest and other Finance expenses	3,80,293	10,17,442
Total	3,80,293	10,17,442

NOTE 21 Other Expenses	Period Ended 31st March 2015	Year Ended 30th June 2014
	Rupees	Rupees
Electricity Expenses (Factory)	-	6,43,663
Rent	3,24,546	6,23,774
Transport Charges	-	37,495
Water Charges	-	2,05,030
Repairs & Maintenance		
- Machinery & Electrical	-	1,200
- Others	-	1,72,260
Books & Periodicals	-	500
Conveyance Expenses	40,874	82,676
Insurance	38,314	34,006
Rates and Taxes	2,00,500	10,80,580
Auditors Remuneration	1,65,000	1,74,158
Legal & Professional Expenses	12,03,070	14,52,158
Printing & Stationery	1,12,101	1,20,941
Advertisement Expenses	33,419	60,424
Postage & Courier	1,79,382	1,55,195
Telephone Expenses	77,883	1,41,093
Travelling Expenses	1,90,124	3,51,531
Bad debts written off	98,00,560	1,35,34,553
Electricity Charges (others)	29,738	(75,029)
Loss on Sale of Assets held for disposal	9,13,040	-
Other Operating Expenses	3,96,418	11,10,634
Total	1,37,04,969	1,99,06,842

Note 22

Additional Information to financial statements

1 Contingent Liabilities :

The Company has filed a Company Application No.250 of 2014 in the High Court of Judicature at Bombay to seek validation of transfer of 14,99,988 Equity Shares of Global Offshore Services Limited held as investments. The hearing of the matter are yet to commence. Pending disposal of the matter, the Hon'ble High Court vide Order dated 15.12.2014 directed to the Company that "stats quo" should be maintained in respect of Shares.

Integrated Finance Co. Ltd. filed an Application to the Hon'ble High Court of Judicature of Bombay against the Company for non-payment of lease Rental of Rs.1,06,25,329/- (including the interest due as on 31.03.1999). The Company has filed a Counter Suit at Hon'ble High Court of Judicature of Bombay, (now transferred to Chennai) for Rs.1,93,78,667/- together with further interest on the said sum @ 18% p.a. for loss of Income.

Outcome of both the Suits are awaited.

2 Auditors Remuneration :

(Rupees)

Particulars	Period Ended	Year Ended
	31.03.2015	30.06.2014
(a) Audit Fees	1,45,000	1,51,686
(b) Tax Audit Fees	20,000	22,472

3 Remuneration Paid/ Provided to Wholetime Directors :

Particulars	Period Ended	Year Ended
	31.03.2015 (In Rs. Lacs)	30.06.2014 (In Rs. Lacs)
Salaries & Allowances	9.90	13.45
Total	9.90	13.45

4 (a) Stocks of Finished Goods

Particulars	Period Ended 31.03.2015				Year Ended 30.06.2014			
	Opening Stock		Closing Stock		Opening Stock		Closing Stock	
	Qty. M.T.	Value Rupees	Qty. M.T.	Value Rupees	Qty. M.T.	Value Rupees	Qty. M.T.	Value Rupees
Nylon Fish Knitted Fabrics	8.333	29,58,263	8.333	29,58,263	18.443	65,47,348	8.333	29,58,263
Total		29,58,263		29,58,263		65,47,348		29,58,263

(b) Sales

Particulars	Period Ended 31.03.2015		Year Ended 30.06.2014	
	Qty. M.T.	Value Rupees	Qty. M.T.	Value Rupees
(i) Nylon Fish Knitted Fabrics	-	-	10.343	28,33,992
(ii) 3rd Grade Fabrics		-		1,08,973
(iii) Income from other Operations		92,98,750		1,30,26,125
Total		92,98,750		1,59,69,090

- 5** In the opinion of the Board, current assets, loans and advances have a value at least equal to the amounts shown in the Balance Sheet, if realized in the ordinary course of business. The provision for all the known liabilities is adequate and not in excess of the amount reasonably necessary.
- 6** Garware Nylons Limited has gone into liquidation and Bombay High Court has appointed Official Liquidator on 18th December, 1998. No provision for diminution in the value of investment of 42,550 equity shares and an amount of Rs 10,97,791/- recoverable from them is made in the accounts as the process of liquidation is not yet complete.
- 7** The Company has certified that the Company does not have any related party as per the requirement of accounting standard 18 on "Related Party Disclosure" issued by the Institute of Chartered Accountants of India.

8 Segment Reporting

The Company is now engaged in only one type of business i.e. Repair of vessels and there are no separate reportable segment as per Accounting Standards AS-17 "Segment Reporting".

9 Earning Per Share :

Particulars		31.03.2015	30.06.2014
A	Basic Earning Per Share :		
	<u>Earning for Computing Earning Per Share :</u>		
	Profit / (Loss) before Taxation	(62,64,219)	(3,42,10,769)
	Less : Provision for Taxation	(13,60,000)	13,11,656
	(A)	(76,24,219)	(3,28,99,113)
	<u>Weighted Average No. of Equity Share Capital :</u>		
	No. of shares at the beginning of the year	57,66,184	57,66,184
	(+) Fresh issue during the year	-	-
	(-) Redeemed/ Forefeited during the year	-	-
	(B)	57,66,184	57,66,184
	BASIC EARNING PER SHARE (A / B)	(1.32)	(5.71)
B	Diluted Earning Per Share :		
	<u>Diluted Earning for Computing Diluted Earning Per Share:</u>		
	Profit / (Loss) before Taxation	(62,64,219)	(3,42,10,769)
	Less : Provision for Taxation	(13,60,000)	13,11,656
	(A)	(76,24,219)	(3,28,99,113)
	<u>Weighted Average No. of Equity Share Capital :</u>		
	No. of shares at the beginning of the year	57,66,184	57,66,184
	(+) Fresh issue during the year (In weighted average for time)	-	-
	(+) Potential No. of shares to be issued on conversion	-	-
	(B)	57,66,184	57,66,184
	DILUTED EARNING PER SHARE (A / B)	(1.32)	(5.71)

Note :

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the Year.

- 10 To adhere to the provisions of section 2 (41) of the Companies Act, 2013 the Company has changed its accounting year. Accordingly, the current period accounts are for a period of 9 months ending 31st March, 2015 as against the previous year (12months) ending 30th June,2014.
- 11 Previous year's figures have been regrouped / reclassified, to correspond with the current year's classification / disclosure.

As per our Report of even date attached

For and on behalf of the Board

For Raman S. Shah & Associates

Chartered Accountants
Firm Reg. No.119891W

A. A. Garware

Chairman

S. V. Atre

Executive Director

Santosh A. Sankhe

Partner
Membership No. 100976
Mumbai, 28th May 2015

N. G. Agarwal
Company Secretary

Mumbai, 28th May 2015



ATTENDANCE SLIP

GARWARE MARINE INDUSTRIES LIMITED

Regd. Office : 102, Buildarch Wisteria, 1st Floor, Ram Maruti Road, Dadar (W), Mumbai-400028

CIN: L12235MH1975PLC018481, Tel : 22-2436 4024 E-mail : investorredressal@garwaremarine.com, Website: www.garwaremarine.com

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE AUDITORIUM

Joint Shareholders may obtain additional slips at the entrance.

Regd. Folio No. / Client ID No.No. of Share(s) held
Name of the Member / Authorised Representative / Proxy
(in Block Letters)

I hereby record my/our presence at the **37th ANNUAL GENERAL MEETING** on Wednesday, 30th September, 2015 at 11.00 a.m. at "Garware Sabhagriha", F.P.H. Building, 5th Floor, Lala Lajpatrai Marg, Mumbai 400 034.

Signature of the Member / Authorised Representative / Proxy



(TEAR HERE)



PROXY FORM

GARWARE MARINE INDUSTRIES LIMITED

Regd. Office : 102, Buildarch Wisteria, 1st Floor, Ram Maruti Road, Dadar (W), Mumbai-400028

CIN: L12235MH1975PLC018481, Tel : 22-2436 4024 E-mail : investorredressal@garwaremarine.com, Website: www.garwaremarine.com

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

Name of the Member (s) :

Registered address :

E-mail id :

Folio No. / Client Id :

DP ID :

I / We, being the member(s) of _____ Equity Shares of Garware Marine Industries Limited, hereby appoint

- Name : _____
Address : _____
E-mail Id : _____
Signature : _____, or failing him / her
- Name : _____
Address : _____
E-mail Id : _____
Signature : _____, or failing him / her
- Name : _____
Address : _____
E-mail Id : _____
Signature : _____, or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Thirty-Seventh Annual General Meeting of the Company, to be held on Wednesday the **30th day of September 2015 at 11.00 A.M.** at the Garware Sabhagriha, F.P.H. Building, 5th Floor, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034 and at any adjournment thereof, in respect of such resolutions set out in the AGM Notice convening the meeting, as are indicated overleaf.

----- ✂ ----- (TEAR HERE) ----- ✂ -----

Resolution No.	Resolutions	Optional*	
		For	Against
1.	Adoption of Accounts		
2.	Re-appointment of Mrs. Shefali S. Bajaj, who retires by rotation and being eligible, offers herself for re-appointment.		
3.	Appointment of Statutory Auditors		

Signed this day of 2015

Signature of Proxy Holder(s)

- Note:** 1. The proxy must be returned so as to reach the registered office of the Company not later than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.
- *2. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Please complete all details including details of member(s) in above box before submission.

BY COURIER

GARWARE MARINE INDUSTRIES LIMITED
102, Buildarch Wisteria, 1st Floor,
Ram Maruti Road, Dadar (W),
Mumbai-400028