



GARWARE MARINE INDUSTRIES LIMITED

**39TH ANNUAL REPORT
2016-17**



Board of Directors	Mr. Aditya A. Garware - Chairman Mrs. Shefali S. Bajaj (nee Garware) Mr. Shyamsunder V. Atre - Executive Director Late Bhupendra M. Saraiya (expired on 17.01.2017) Mr. Rajiv S. Khanna Mr. Sanjay V. Chinai Mr. Vikas D. Sadarangani - Additional Director (w.e.f. 26.11.2016)
Company Secretary	Ms. Pallavi P. Shedge
Chief Financial Officer	Mrs. Vipulata S. Tandel
Bankers	IDBI Bank Ltd. Indian Overseas Bank
Auditors	Messrs. Raman S. Shah & Associates, Chartered Accountant
Registered Office	102, Buildarch Wisteria, 1st Floor, Ram Maruti Road, Dadar (W), Mumbai-400028
CIN	L12235MH1975PLC018481
Registrar & Share Transfer Agent	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road Marol, Andheri East, Mumbai 400059

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NOTICE

NOTICE is hereby given that the Thirty Ninth Annual General Meeting of the Members of Garware Marine Industries Limited will be held on **Thursday, 28th September, 2017** at **11.30 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, 2017 and Statement of Profit and Loss for the year ended on that date together with the Directors' and Auditors' Report thereon;
2. To appoint a Director in place of Mrs. Shefali S. Bajaj (DIN:00149511), who retires by rotation and being eligible, offers herself for re-appointment.
3. To consider and if thought fit, to pass with or without modification/s, the following as an **Ordinary Resolution**
"RESOLVED THAT pursuant to Section 139 and other application provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable, Messrs. D. Kothary & Co., Chartered Accountants (Firm Registration No. 105335W), be and are hereby appointed as Statutory Auditors of the Company for five years in place of retiring Statutory Auditors, Messrs. Raman S. Shah & Associates, Chartered Accountants (Firm Registration No. 119891W), to hold office from the conclusion of this Annual General Meeting until the conclusion of the 44th Annual General Meeting of the Company, subject to ratification by members every year, at a remuneration and reimbursement of out of pocket expenses incurred in connection with the audit to be fixed by the Board."

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification the following resolution proposed to be passed as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') including any modification or re-enactment thereof and the Rules framed there under, read with Schedule IV to the Act and other applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Vikas D. Sadarangani (DIN:07657018), who was appointed as an Additional Director under Section 161 of the Act and Article No. 138 of Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, alongwith the required deposit, proposing his candidature for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or desirable to give effect to the aforesaid resolution."
5. To consider and, if thought fit, to pass with or without modification the following resolution proposed to be passed as **Special Resolution**:
"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and the applicable Rules made thereunder and other applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the Article No. 138 of Articles of Association of the Company, Mr. Shyamsunder V. Atre (DIN: 01893024), be and is hereby re-appointed as Executive Director, for a period of two years with effect from 31st October, 2016, on the terms and conditions including remuneration as mentioned in the Explanatory Statement attached to this notice, with liberty to the Board of Directors to vary, amend or revise the remuneration within the maximum ceiling in accordance with the provisions of the Act, and as may be agreed to between the Board of Directors and Mr. Shyamsunder V. Atre."
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or desirable to give effect to the aforesaid resolution."

By Order of the Board**Sd/-
Pallavi P. Shedge
Company Secretary****Registered Office:**

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

Date : 02nd August, 2017**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 Annual General Meeting.

2. The Register of Members and Share Transfer books of the Company will remain closed from Tuesday, 26th September, 2017 to Thursday, 28th September, 2017 (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 Private Limited.
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 Private Limited, 01st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai – 400 059.
7. 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 Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered with the Stock Exchange, the Company is pleased to:
 - i] Provide the facility to members for voting by electronic means to cast their votes electronically from a remote place so that 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 Thursday, 21st September, 2017 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 resolutions 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	Monday, 25th September, 2017 at 10.00 a.m.
End of e voting	Wednesday, 27th September, 2017 at 5.00 p.m.

During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on Thursday, 21st September, 2017 (the cut-off date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after Wednesday, 27th September, 2017.

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	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <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. Please see Sequence number printed in the address sticker in the envelope. <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 in dd/mm/yyyy format. <ul style="list-style-type: none"> 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) Shareholders can also cast their vote using CDSL's mobile app m-voting available for Android based mobiles. The m-Voting app can be downloaded from "Google Play Store", iPhone and Windows phone users can download the app from the "App Store" and the "Windows Phone Store" respectively. Please follow instructions as prompted by the mobile app while voting through your mobile.
- (xviii) 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.
- 8. 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.
- 9. 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.
- 10. 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.
- 11. 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 Thursday, 28th September, 2017 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.
- 12. 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 Exchange where the Company is listed, viz. BSE Ltd.
- 13. Shareholders who have not yet en-cashed their dividend warrants for the Financial Year 2009-10 and 2010-11 may approach the Company for revalidation, issue of duplicate warrant etc. quoting the Folio No. / Client ID. Please note that as per Section 125 of the Companies Act, 2013 dividend which remains unpaid/ unclaimed over a period of 7 years has to be transferred by the Company to the "Investor Education & Protection Fund" (IEPF).

Financial Year	Type of Dividend	Dividend Declaration Date (AGM/ BM date for interim)	Due date for remittance to IEPF (7 years)
2009-10	Final Dividend	30.12.2010	03.02.2018
2010-11	Final Dividend	29.12.2011	02.02.2019

Explanatory Statement pursuant to Section 102 of Companies Act, 2013

Item No.4

Mr. Vikas D. Sadarangani was appointed as an Additional Director by the Board of Directors at its meeting held on 26th November, 2016, to hold the office upto the date of the ensuing Annual General Meeting of the Company.

Mr. Vikas D. Sadarangani is a Commerce Graduate and is a Partner, for the past 25 years, of M/s. Vikas Corporation which is actively involved in marketing and sale of cinema equipments, as a distributor for Harman International and also the import and export of lighting equipment. Further, he is independent to the Management of the Company and in the opinion of the Board, he fulfills the conditions specified in the Act and the Rules made thereunder for his appointment as an Independent Director.

Mr. Vikas D. Sadarangani does not hold any shares of the Company.

The Company has received a notice in writing from a member, alongwith the deposit of requisite amount under Section 160 of the Act, proposing the candidature of Mr. Vikas D. Sadarangani as an Independent Director of the Company.

Mr. Vikas D. Sadarangani has submitted the declaration as required pursuant to Section 149(7) of the Companies Act, 2013, stating that he meets the criteria of independence as provided in sub-section(6). Further, he is not disqualified from being appointed as a Director in terms of section 164 of the Act.

A copy of appointment letter, declaration of eligibility under Section 149(7) received from him and other documents are open for inspection at the Registered Office of the Company on all working days except Saturdays and Sundays, between 02.00 p.m. and 04.00 p.m. upto the date of conclusion of Annual General Meeting.

The brief profile of Mr. Vikas D. Sadarangani as per requirements of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and the rules made thereunder and the Secretarial Standards (SS-2) are given in Annexure A which forms part of the notice.

None of the Directors / Key Managerial Personnel of the Company and their relatives except Mr. Vikas D. Sadarangani and his relatives, to the extent of their shareholding, if any, in the Company, are in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution set out at Item No.4 of the notice for approval by the shareholders at this AGM, to be passed as an **Ordinary Resolution**.

Item No.5

Mr. Shyamsunder V. Atre was appointed as Executive Director w.e.f. 31st October, 2013 for a period of three years, upon approval of Members in the Annual General Meeting dated 15th November, 2013.

Mr. Shyamsunder V. Atre is an Electrical Engineering Graduate and has expertise in Sales and Marketing. He also has tremendous experience in overall management and dealing with labour. Taking into consideration his past contributions, and his expertise in dealing with labour, continued association with the Company is not only recommended, but also required and on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 04th November, 2016, approved his re-appointment, subject to the approval of the members of the Company, as Executive Director for a period of two years with effect from 31st October, 2016.

Further, the remuneration proposed to be paid to Mr. Shyamsunder V. Atre, Executive Director as follows:

Sr. No.	Particulars of Remuneration	Remuneration per month till June, 2017	Remuneration per month w.e.f. 01 st July, 2017
1	Basic	54,450	81,000
2	HRA	5,663	15,780
3	Books & Periodicals	-	500
4	Performance Allowance	-	5,500
5	Conveyance Allowance	-	5,000
6	LTA	-	7,500
7	Medical Allowance	-	7,500
	Total	60,113	1,22,780
8	Perquisites: The Executive Director will in addition to salary, be entitled to benefits like Ex-Gratia, if declared and other perquisites such as provision for car with a chauffeur and other allowances as per the rules of the Company. Perquisites shall be evaluated as per the Income Tax Rules, wherever applicable. Mr. Shyamsunder V. Atre shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling of remuneration: (i) Reimbursement of entertainment expenses actually incurred by him in the course of business of the Company. (ii) Reimbursement of traveling, hotel and other expenses, incurred in performance of the duties on behalf of the Company.		
9	In the event, the Company incurs loss or has inadequate profit, the above remuneration shall be treated as minimum remuneration payable to the Executive Director.		

Mr. Shyamsunder V. Atre satisfies the conditions specified under Section 196 (3) and Part I of Schedule V of the Companies Act, 2013 and is not disqualified from being appointed as a Director under Section 164 of the Act.

The brief profile of Mr. Shyamsunder V. Atre and the detail of his shareholding in the Company as per requirements of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and the rules made there under and the Secretarial Standards (SS-2) are given in Annexure A and Annexure B which forms part of the notice.

None of the Directors / Key Managerial Personnel of the Company and their relatives except Mr. Shyamsunder V. Atre and his relatives to the extent of their shareholding, if any, in the Company, are in any way, concerned or interested, financially or otherwise, in the resolution.

A copy of agreement and other documents are open for inspection at the Registered Office of the Company on all working days except Saturday and Sunday, between 02.00 p.m. and 04.00 p.m. on an working day.

The Board recommends the resolution set out at Item No.5 of the notice for approval by the shareholders at this AGM, to be passed as **Special Resolution**.

Annexure A

Details of Directors seeking appointment / re-appointment as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard (SS2) are as follows:

Name	Mrs. Shefali S. Bajaj	Mr. Vikas D. Sadarangani	Mr. Shyamsunder V. Atre
Date of Birth	08/03/1969	22/02/1970	02/11/1944
DIN	00149511	07657018	01893024
Date of appointment / re-appointment	05/11/2014	26/11/2016	31/10/2013



Relationship with other Directors inter-se	Sister of Mr. Aditya A. Garware, Chairman & Promoter.	-	-
Qualification	MBA	B.Com.	B.E. (Electrical)
Experience in specific function area	General Administration	Presently Partner (since 25 years) of M/s. Vikas Corporation which is actively involved in distribution of cinema equipments for Harman International and also the import and export of lighting equipment.	He is expertise in Sales and Marketing. He also has tremendous experience in overall management and dealing with labour.
Directorship held in other companies	• Shesu Trading And Investments Co. Private Limited	-	• Garware Goa Nets Limited • D.S.G. Ship Services Private Limited
Memberships/ Chairmanships of Committee in other public limited companies (includes only Audit & Shareholders' / Investors' Grievance Committee)	Nil	Nil	Nil
Shareholding, if any, in the Company	74,200 Shares	Nil	1,000 Shares
Terms and conditions of appointment along with details of remuneration sought to be paid	No remuneration except sitting fees for attending Board meetings.	<ul style="list-style-type: none"> Appointed for a period of 5 years. No remuneration except sitting fees for attending Board and Committee meetings. 	As stated in Explanatory Statement
Remuneration last drawn	Nil	Nil	Rs.60,113/-(per month)

Additional information pursuant to Notification No.S.O.2922(E) dated 12th September, 2016 of Ministry of Company Affairs:

Sr. No.	Garware Marine Industries Limited	
1	General Information: Nature of Industry Date or expected date of commencement of commercial productions.	Ship Repairs Not Applicable
2	Financial Performance: Total Revenue Loss for the year	Rs.1,02,49,012 Rs.50,98,973
3	Foreign Investment or Collaboration	Not Applicable
4	Information about the appointee: Background details Past Remuneration Recognition or awards Job profile & his suitability Remuneration proposed	As above As above Nil As above As above
5	Comparative remuneration profile with respect to Industry, size of the Company, Profile of the position and person.	The proposed remuneration is in commensurate to the size and nature of business and the financial position of the Company.
6	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel.	Except for the remuneration, drawn, there is no pecuniary relationship directly or indirectly with the Company.
7	Reason for loss or inadequate profit.	Low demand in ship repairing services because of recession in offshore and shipping industry
8	Steps taken or proposed to be taken for improvement.	The Company's management continues to try to identify new customers to provide services.
9	Expected increase in productivity and profits in measurable terms.	The Company is confident that the situation will improve, as the shipping sector improves.

GARWARE MARINE INDUSTRIES LIMITED

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ANNEXURE B

The details of shareholding of Mr. Shyamsunder V. Atre, Executive Director, his relatives and the Promoter Group Company in Garware Marine Industries Limited is as under:

Sr. No.		Name of shareholder	No. of shares held	% of shares held
1	Holding by Executive Director	Mr. Shyamsunder V. Atre	1,000	0.02
2	Holding by his relatives	-	-	-
3	Holding by promoter group Company of Garware Marine Industries Limited	-	-	-

REQUEST TO THE MEMBERS

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

By Order of the Board

Sd/-
Pallavi P. Shedge
Company Secretary

Registered Office:

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

Date : 02nd August, 2017

Place: Mumbai

ROUTE MAP TO AGM VENUE



BOARDS' REPORT

To,

The Members,

Garware Marine Industries Limited

We present our report on the business and operations of the Company for the year ended 31st March, 2017.

➤ **Financial Summary:**

Particulars	Current Year 31/03/2017 (Amt in Rs.)	Previous Year 31/03/2016 (Amt in Rs.)
Income from operations (Including other income)	1,02,49,012	1,99,54,412
Less: Expenses	1,40,17,250	1,91,31,922
Profit before Interest, Depreciation and Tax	(37,68,238)	8,22,490
Less: Interest and Finance charges	5,14,703	5,61,199
Profit before Depreciation and Tax	(42,82,941)	2,61,291
Less: Depreciation and Amortization	16,032	16,032
Provision for Tax	-	-
Deferred Tax	8,00,000	8,00,000
Tax for earlier years	-	(5,60,000)
Profit / Loss for the year	(50,98,973)	5,259
Add: Balance and loss brought forward from previous year	(4,31,47,046)	(4,31,52,305)
Available for Appropriation	(4,82,46,019)	(4,31,47,046)
Less: Transferred to General Reserve	-	-
Balance carried forward to Profit and Loss Account	(4,82,46,019)	(4,31,47,046)

➤ **Financial Highlights**

Income from operations (including other income) for the year ended 31st March, 2017 stood at Rs.1,02,49,012/-, as against Rs.1,99,54,412/- for the previous year ended 31st March, 2016.

The Net Loss for the year ended 31st March, 2017 stood at Rs. 50,98,973 as against a profit of Rs. 5,259/- for the previous year. The loss mainly arose as a result of steep reduction in income from operations.

➤ **Operations**

During the year under review your Company's main source of revenue was generated from vessel repairs.

➤ **Future Outlook**

The fortunes of the Company are solely dependent on repair of vessels in the Offshore and Shipping sector. Considering both, these sectors have been going through difficult times, with no recovery expected in the immediate future. The Company too will, in all likelihood, face trying times in the near future.

The Company's management continues to try to identify new customers to provide services and though this has yielded some positive results in the past, customers are reluctant to spend vast sums of monies in repairs especially since these revenues have been slashed to levels of operating costs or even below. Lay up of vessels which has become more common recently, is also adversely affecting the Company's revenues.

The Company hopes that the situation will improve, as the offshore and shipping sectors improve.

➤ **Dividend**

In view of the current losses and in an attempt to conserve resources for the future, your Directors have not recommended any dividend for the financial year ended 31st March, 2017.

➤ **Subsidiary / Wholly Owned Subsidiary**

The Company does not have any Subsidiary or Wholly-owned Subsidiary.

➤ **Loans, Guarantees or Investments**

During the year under review, the Company has not granted any loan, not made any investment nor has it given any guarantee u/s 186 of Companies Act, 2013 and thus required details are not applicable.

➤ **Deposits**

No Deposits covered under Chapter V of the Companies Act, 2013 were invited by the Company from public during the year under review.

➤ **Directors**

The following persons make up the Board of Directors of the Company:

Sr. No.	Name of Director	Designation
1	Mr. Aditya A. Garware (DIN: 00019816)	Chairman, Non-Executive – Non-Independent Director
3	Mrs. Shefali S. Bajaj (nee Garware) (DIN: 00149511)	Non-Executive – Non- Independent Director
3	Mr. Shyamsunder V. Atre (DIN: 01893024)	Executive Director
4	Late Bhupendra M. Saraiya* (DIN: 00035002)	Independent Director

5	Mr. Rajiv S. Khanna (DIN: 02855080)	Independent Director
6	Mr. Sanjay V. Chinai (DIN: 00245418)	Independent Director
7	Mr. Vikas D. Sadarangani** (DIN:07657018)	Independent Director

*Expired on 17th January, 2017. **Appointed as Additional Director (Independent Director) w.e.f. 26th November, 2016.

In accordance with the Provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Shefali S. Bajaj, Director retires by rotation at the forthcoming Annual General Meeting of the Company and being eligible offers herself for re-appointment. The Board of Directors recommends her re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting of the Company.

Mr. Shyamsunder V. Atre was appointed as Executive Director w.e.f. 31st October, 2013 for a period of three years. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 04th November, 2016, approved his re-appointment, subject to the approval of the members of the Company, as Executive Director for a period of two years with effect from 31st October, 2016. Further, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, at its meeting held on 02nd August, 2017, also approved the revision in remuneration payable to Mr. Shyamsunder V. Atre, w.e.f. 01st July, 2017, subject to approval of members.

Mr. Vikas D. Sadarangani was appointed as Additional Director (Independent Category) of the Company w.e.f. 26th November, 2016 to hold office upto the date of forthcoming Annual General Meeting. In terms of Provisions of Section 149 of the Companies Act, 2013, it is proposed to appoint Mr. Vikas D. Sadarangani as an Independent Director, for a period of five years. Your Company has received a notice in writing from a member proposing the candidature of Mr. Vikas D. Sadarangani as Independent Director of the Company at the ensuing Annual General Meeting.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

➤ **Number of Meetings of the Board**

During the year under review, 5 Board Meetings were duly convened and held on 30th May, 2016, 08th July, 2016, 04th November, 2016, 26th November, 2016 and 09th February, 2017. The details of the said Board Meetings forms part of the Corporate Governance Report.

➤ **Committees of the Board**

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee

3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee

The details of the committees along with their composition and relevant details are provided in the Corporate Governance Report.

➤ **Board Evaluation**

Pursuant to Provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured customized questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, performance of duties, obligations and governance. The performance evaluation of Chairman, Non-independent Directors and Independent Directors was carried out by all the Directors.

➤ **Familiarization Program for Independent Directors**

The Board has informed from time to time all the Independent Directors about the status of business and the responsibilities and commitments of the Independent Directors of the Company. Further, at the time of appointment of new Additional Director (Independent Category) the Board has explained him all the duties, functions and responsibilities being an Independent Director of the Company. The format of terms and conditions of appointment of Independent Directors is available on the Company's website www.garwaremarine.com.

➤ **Key Managerial Personnel**

The following are the Key Managerial Personnel of the Company:

Mr. Shyamsunder V. Atre	Executive Director
Ms. Pallavi P. Shedge	Company Secretary
Mrs. Vipulata S. Tandel	Chief Financial Officer

During the year, Mrs. Vipulata S. Tandel was appointed as Chief Financial Officer of the Company w.e.f. 01st February, 2017.

➤ **Audit Committee**

Pursuant to the Provision of Section 177(8) of the Companies Act, 2013, the Audit Committee has 3 members including 2 Independent Directors as follows:

Sr. No.	Name of the Director & Category	Chairman / Member
1	Mr. Sanjay V. Chinai* Independent Director	Chairman
2	Late. Bhupendra M. Saraiya** Independent Director	Member
3	Mr. Aditya A. Garware Non-Executive – Non-Independent Director	Member
4	Mr. Vikas D. Sadarangani*** Independent Director	Member

*Appointed as Chairman of the Committee w.e.f. 26th November, 2016. **Expired on 17th January, 2017. He was the Chairman of the Committee till 25th November,

2016. ***Appointed as Member of the Committee w.e.f. 09th February, 2017.

There were no instances where the Board had not accepted any recommendation of the Audit Committee.

➤ **Nomination & Remuneration Committee**

Pursuant to Section 178 of the Companies Act, 2013, the Board has set up a Nomination & Remuneration Committee and the details of the Committee are stated under Corporate Governance Report Annexed to this Report.

➤ **Stakeholders Relationship Committee**

Pursuant to Section 178 of the Companies Act, 2013, the Board has set up a Stakeholders Relationship Committee and the details of the Committee are stated under Corporate Governance Report Annexed to this Report.

➤ **Policy on Appointment and Remuneration**

The Board of Directors has framed a Policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This Policy also lays down the criteria for selection and appointment of Board Members. The details of the Policy are available on the Company's website www.garwaremarine.com.

➤ **Director's Responsibility Statement**

In accordance with the provisions of Section 134(3) of the Companies Act, 2013 and based on the information provided by the management, your Directors' state that:

- (a) 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 this Directors' Report) have been made from the same;
- (b) 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 the financial year and of the loss of the Company for the year ended on that date;
- (c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) They have prepared the Annual Accounts on a going concern basis;
- (e) They have laid down internal financial controls to be followed and that such financial controls are adequate and were operating effectively;
- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

➤ **Appointment of Statutory Auditors and their Report**

Messrs. Raman S. Shah & Associates, Chartered Accountants were appointed as Statutory Auditors of the Company by the Shareholders at the last Annual General Meeting held on 30th September, 2016 till the conclusion of the ensuing Annual General Meeting.

In compliance with the provisions of Companies Act 2013, the Company will appoint an Auditor in the Annual General Meeting, who shall hold office till the subsequent five Annual General Meetings. A transition period of 3 years w.e.f. 01st April, 2014 was given to listed Companies to change the Auditors.

Messrs. Raman S. Shah & Associates, Chartered Accountants will retire at the ensuing Annual General Meeting and new Auditors need to be appointed at the ensuing Annual General Meeting for a period of 5 years which can be extended for a further term of 5 years. Though, the appointment is for 5 years, the same needs to be ratified at each Annual General Meeting.

After studying profile of some Audit Firms, the Board, upon the recommendation of the Audit Committee and subject to approval of members, has chosen to appoint Messrs. D. Kothary & Co., Chartered Accountants (Firm Registration No. 105335W) from the conclusion of ensuing Annual General Meeting until the conclusion of the 44th Annual General Meeting of the Company, and has received eligibility certificate under Sections 139 and 141 of the Companies Act, 2013 and the Rules made thereunder. The appointment will be ratified at each Annual General Meeting.

There are no Qualifications in the Auditors' Report.

➤ **Personnel**

During the year, due to recession in the offshore and shipping industry there was a very low demand in ship repair services which has affected adversely on the financial position of the Company. In order to save the cost and sustain the operations, the remuneration of Executive Director was reduced by 42.50% w.e.f. 01st July, 2016 and the salary of all other employees was reduced (as per the structured salary slab) from 5% and 15% w.e.f. 1st June, 2016.

The Board appreciates the support and co-operation of all the employees.

➤ **Internal Financial Control**

The Company has adequate internal financial control with respect to the preparation and presentation of the financial statements. There is no material change(s) and comment(s) affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the financial statements relates and the date of the Report.

➤ **Significant & Material Order passed by the Regulatory**

As reported in the past, Integrated Finance Company Limited (IFCL) had filed a case against the Company in Chennai and the Company had filed a counter suit against IFCL.

The Madras High Court without warning passed an order against the Company for recovery of Rs. 1.69 Crores and the interest thereon and execution order was placed before the Bombay High Court. The Company approached the Madras High Court, requesting for condonation of delay as IFCL had surreptitiously procured the said order without allowing the Company to defend itself. After hearing the matter through the Application filed by the Company, the Madras High Court on 04th April, 2017, issued an Order, allowing the Company's application for condonation of delay, subject to the Company depositing Rs.30 Lakhs with the Court and paying costs of Rs.5,000/- to IFCL. The Company has duly complied with the Order of Hon'ble Madras High Court.

As indicated above, the Company had also filed a counter suit against Integrated Finance Company Limited for loss of production of Rs. 1.93 Crores together with further interest @ 18% p.a. The said suit though filed in Mumbai was subsequently transferred to Chennai in the year 2013 and is pending before Madras High Court.

➤ **Risks and area of concern**

Adequate measures have been taken to protect the Company from any potential risks which may affect the existence of the Company and the Board of Directors continuously strives to take utmost care to ensure preservation of interest of all its stakeholders.

➤ **Extract of Annual Return**

The Details forming part of extract of the Annual Return in Form MGT-9 is enclosed as Annexure A to this Report.

➤ **Corporate Governance and Management Discussion and Analysis Report**

The Corporate Governance Report and Management Discussion and Analysis Report along with the Auditors' Statement of its compliances are given separately.

➤ **Related Party Transactions**

The information for related party transactions as required under Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is enclosed as Annexure B to this Report. The Policy on Related Party Transactions is available on the Company's website www.garwaremarine.com.

➤ **Secretarial Audit**

Pursuant to the Provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, Mr. Rajkumar R. Tiwari, Practicing Company Secretary (CP No. 2400) has been appointed as Secretarial Auditor to conduct Secretarial Audit for the Financial Year 2016-17. The Secretarial Audit Report for the year ended 31st March, 2017 is enclosed as Annexure C to this Report.

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

➤ **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

In view of the total shut down of all manufacturing activities, Statement pursuant to provisions of Section 134(3)(m) of the Companies Act, 2013 and Companies (Accounts) Rules, 2014 for Conservation of Energy, Technology absorption and Foreign Exchange Earnings and outgo is not applicable.

➤ **Human Resources**

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

➤ **Details of Salary of Employees**

The information required under Section 197 of the Companies Act, 2013 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 D.

➤ **Vigil Mechanism**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has formulated its Vigil Mechanism, under the Whistle Blower Policy, for its Directors and employees to report genuine concerns. The Whistle Blower Policy of the Company is disclosed on the website of the Company, www.garwaremarine.com

During the Financial Year ended 31st March, 2017, no complaint has been received by the Audit Committee from Director(s) or employee(s) of the Company.

➤ **Corporate Social Responsibility (CSR)**

In view of the losses for the current and previous years, the Company was not required to make any contribution towards CSR and thus the required details are "Not Applicable".

➤ **Prevention of Sexual Harassment Policy**

The Company has constituted a Committee pursuant to the provisions of 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal)' Act, 2013 & Rules thereunder. This Committee has been set up to redress complaints under sexual harassment. All employees (permanent, contract and temporary) are covered under the Policy.

During the year under review no complaint was received by the Committee.

➤ **Acknowledgement**

Your Directors express their sincere gratitude to the Employees of the Company who have stood by and supported the Company through these "trying" times".

For and on behalf of Board

Date: 02/08/2017
Place: Mumbai

Aditya A. Garware
Chairman



ANNEXURE A FORM NO. MGT 9

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:

CIN	L12235MH1975PLC018481
Registration Date	08 th August, 1975
Name of the Company	Garware Marine Industries Limited
Category/ subcategory of the Company	Indian Non-government Company
Registered Office address and contact details	102, Buildarch Wisteria, 1 st Floor, Ram Maruti Road, Dadar (West), Mumbai – 400 028 Tel: 022 2423 4000 Fax: 022 2436 2764 Email: investorredressal@garwaremarine.com
Whether listed	Listed
Name, address and contact details of Registrar and Transfer Agent	Bigshare Services Private Limited 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road Marol, Andheri East, Mumbai 400059 Tel: 022 62638200 Fax: 022 62638299 Email: info@bigshareonline.com Website: www.bigshareonline.com

II Principal business activity of the Company:

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

Sr. No.	Name and description of main Product/ Services	NIC Code of Product/ Service	% of total turnover of the Company
1	Ship repair services	-	100

III Particulars of holding, subsidiary and associate companies: Nil

IV Shareholding pattern (Equity Share Capital break-up as percentage of total equity)

i. Category-wise shareholding:

Category of shareholder	No. of shares held at the beginning of the year 01.04.2016				No. of shares held at the end of the year 31.03.2017				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoter									
1. Indian									
a. Individual	13,25,222	-	13,25,222	22.98	13,25,222	-	13,25,222	22.98	-
b. Cent.Gov.	-	-	-	-	-	-	-	-	-
c. State Gov.	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	8,13,708	-	8,13,708	14.11	8,36,333	-	8,36,333	14.50	0.39
e. Bank / FI									
f. Any other									
- Group Companies	-	-	-	-	-	-	-	-	-
Total A1	21,38,930	-	21,38,930	37.09	21,61,555	-	21,61,555	37.48	0.39
2. Foreign									
a. NRI - Individuals	-	-	-	-	-	-	-	-	-

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Category of shareholder	No. of shares held at the beginning of the year 01.04.2016				No. of shares held at the end of the year 31.03.2017				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
b. Other – Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corp.	-	-	-	-	-	-	-	-	-
d. Bank / FI	-	-	-	-	-	-	-	-	-
e. Any other	-	-	-	-	-	-	-	-	-
Total A2	-	-	-	-	-	-	-	-	-
Total Promoter holding	21,38,930	-	21,38,930	37.09	21,61,555	-	21,61,555	37.48	0.39
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	-	100	100	0.00	-	100	100	0.00	-
b. Bank / FI	-	325	325	0.00	-	325	325	0.00	-
c. Cent.Gov.	-	-	-	-	-	-	-	-	-
d. State Gov.	1,40,000	-	1,40,000	2.43	1,40,000	-	1,40,000	2.43	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIs	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Other (Specify)	-	-	-	-	-	-	-	-	-
Total B1	1,40,000	425	1,40,425	2.43	1,40,000	425	1,40,425	2.43	-
2. Non-institutions									
a. Bodies Corp.	1,74,377	6,898	1,81,275	3.14	1,91,607	6,898	1,99,505	3.46	0.32
i. Indian	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-
b. Individuals									
i. Individual shareholders holding nominal share capital upto Rs. 1 Lacs	9,05,889	8,37,286	17,43,175	30.23	10,33,293	8,26,660	18,58,953	32.24	2.01
i. Individual shareholders holding nominal share capital in excess of Rs. 1 Lacs	13,96,468	0	13,96,468	24.22	12,40,320	-	12,40,320	21.51	-2.71
c. Others (Specify)									
- NBFC	-	-	-	-	250	-	250	0.00	0.00
- NRI	7,268	1,000	8,268	0.14	7,377	-	7,377	0.12	-0.02
- Trust	1,57,143	-	1,57,143	2.73	1,57,143	-	1,57,143	2.73	-

Category of shareholder	No. of shares held at the beginning of the year 01.04.2016				No. of shares held at the end of the year 31.03.2017				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
- Clearing Member	500	-	500	0.01	656	-	656	0.01	-
Total B2	26,41,645	8,45,184	34,86,829	60.47	26,30,646	8,33,558	34,64,204	60.09	-0.39
Total Public holding B1+B2	27,81,645	8,45,606	36,27,254	62.91	27,70,646	8,33,983	36,04,629	62.52	-0.39
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Total C	-	-	-	-	-	-	-	-	-
Grand Total A+B+C	49,20,575	8,45,609	57,66,184	100	49,32,201	8,33,983	57,66,184	100	-

ii Shareholding of promoters

Sr. No.	Name of share holder	No. of shares held at the beginning of the year 01.04.2016			No. of shares held at the end of the year 31.03.2017			% of 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	Mr. Ashok B. Garware	9,28,195*	16.09	-	-	-	-	-16.09
2	Mr. Aditya A. Garware	2,10,229	3.65	-	2,10,229	3.65	-	-
3	Mrs. Shefali S. Bajaj	74,200	1.29	-	74,200	1.29	-	-
4	Mrs. Maneesha S. Shah	55,050	0.95	-	55,050	0.95	-	-
5	Late Chandrakant B. Garware	30,000	0.52	-	30,000	0.52	-	-
6	Late Ramesh B. Garware	9,084	0.16	-	9,084	0.16	-	-
7	Mrs. Sushma A. Garware	7,895	0.14	-	9,36,090	16.23	-	16.09
8	A.B. Garware -HUF	4,700	0.08	-	4,700	0.08	-	-
9	Mr. Shashikant B. Garware	4,607	0.08	-	4,607	0.08	-	-
10	Smt. Anita C. Garware	500	0.01	-	500	0.01	-	-
11	Mrs. Sheela S. Garware	381	0.01	-	381	0.01	-	-
12	Mrs. Monika R. Garware Modi	381	0.01	-	381	0.01	-	-
13	Universal Investment Services Private Limited	2,30,755	4.00	-	2,30,755	4.00	-	-
14	Mauve Trading Co. Private Limited	1,44,410	2.50	-	1,44,410	2.50	-	-
15	Global Offshore Services Limited	1,29,330	2.24	-	1,29,330	2.24	-	-
16	Adsu Trading And Investment Co. Private Limited	1,68,975	2.93	-	1,91,600	3.32	-	0.39
17	Garware Wallropes Limited	50,000	0.87	-	50,000	0.87	-	-

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Sr. No.	Name of share holder	No. of shares held at the beginning of the year 01.04.2016			No. of shares held at the end of the year 31.03.2017			% of 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	
18	Shesu Trading And Investment Co. Private Limited	46,732	0.81	-	46,732	0.81	-	-
19	Garware Capital Markets Limited	30,000	0.52	-	30,000	0.52	-	-
20	Masu Trading And Investment Co. Private Limited	12,706	0.22	-	12,706	0.22	-	-
21	Garware Goa Nets Limited	800	0.01	-	800	0.01	-	-
	Total	21,38,930	37.09	-	21,61,555	37.48	-	0.39

*During the year, Entire holding of promoter Mr. Ashok B. Garware transferred to Promoter - Mrs. Sushma A. Garware (spouse) as gift.

iii Change in Promoter's shareholding during the F.Y. 2016-17*

Sr. No.	Name of Promoter	Shareholding		Date	Increase / Decrease in shareholding	Reasons Market Purchase / Sale / Transfer	Cumulative shareholding at the end of the FY 31.03.2017	
		No of shares held at the beginning of the year 01.04.2016	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Mr. Ashok B. Garware	9,28,195	16.09	26.07.2016	8,13,255	Transfer as Gift	1,14,940	1.99
				03.08.2016	1,14,940		0	0
2	Mr. Sushma A. Garware	7,895	0.14	26.07.2016	8,13,255	Received as Gift	8,21,150	14.24
				03.08.2016	1,14,940		9,36,090	16.23
3	Adsu Trading And Investment Co. Private Limited	1,68,975	2.93	21.10.2016	3,138	Market Purchase	1,72,113	2.98
				26.10.2016	597		1,72,710	2.98
				17.11.2016	3,000		1,75,710	3.04
				30.11.2016	6		1,75,716	3.04
				07.12.2016	538		1,76,254	3.05
				12.12.2016	2,346		1,78,600	3.09
				03.01.2017	3,000		1,81,600	3.14
05.01.2017	10,000	1,91,600	3.32					

*During the year, Mr. Ashok B. Garware transferred his entire shareholding to Promoter - Mrs. Sushma A. Garware (spouse) as gift. The Holding of Promoters (Individuals) remains the same.

iv Shareholding pattern of top ten shareholders (other than Directors, Promoters and holders of ADRs and GDRs)

Sr. No.	Name of top ten shareholder	Shareholding held at the beginning of the year 01.04.2016		Shareholding held at the end of the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Poshattiwar Sandeep Vasantao HUF	1,33,144	2.31	1,33,144	2.31
2	Mr. Ketan J. Karani	1,70,909	2.96	1,55,883	2.70
3	Shri Krishna Welfare Trust	1,57,143	2.73	1,57,143	2.73
4	Official Liquidator of High Court	1,40,000	2.43	1,40,000	2.43
5	Mr. Ashish Jain	94,141	1.63	94,141	1.63
6	DSG Ship Services Private Limited	93,089	1.61	93,089	1.61
7	Firdaus A. Variava	71,000	1.23	71,000	1.23
8	Charu S. Shah	64,115	1.11	-	-
9	Naira J. Jejeebhoy	60,000	1.04	60,000	1.04
10	Dilnavaz S. Variava	59,975	1.04	59,975	1.04
11	Ajay Malpani	40,000	0.69	-	-
12	Sandeep Surana	37,330	0.65	-	-
13	Mr. Sandeep Vasantao Poshattiwar	-	-	80,000	1.39

v Shareholding of Directors and Key Managerial Personnel (KMP)

Sr. No.	Name of Director / KMP	Shareholding held at the beginning of the year 01.04.2016		Shareholding held at the end of the year 31.03.2017	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Mr. Aditya A. Garware	1,94,111	3.37	2,10,229	3.65
2	Mrs. Shefali S. Bajaj	74,200	1.29	74,200	1.29
3	Mr. Shyamsunder V. Atre - KMP	1,000	0.02	1,000	0.02
4	Late Dr. Bhupendra M. Saraiya*	100	0.00	100	0.00
5	Mr. Rajiv S. Khanna	100	0.00	100	0.00
6	Mr. Sanjay V. Chinai	-	-	-	-
7	Mr. Vikas D. Sadarangani	-	-	-	-
8	Ms. Pallavi P. Shedje - KMP	-	-	2	0.00
9	Mrs. Vipulata S. Tandel** - KMP	-	-	-	-

* * Expired on 17th January, 2017. **Appointed as Chief Financial Officer w.e.f. 01st February, 2017.

V Indebtedness

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

Particulars	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	-	-	-	-

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Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
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 and Sitting Fees of Directors and KMPs

A Remuneration to Executive Director - KMP

Amount in Rs.

Sr. No.	Particulars	Mr. Shyamsunder V. Atre Executive Director
1	Salary	8,18,349
2	Leave Travel Allowance	18,150
3	Medical Allowance	18,150
4	Bonus/ Ex-gratia	-
5	Stock Option	-
6	Sweat Equity	-
7	Commission	-
	- As % profit	-
	- Other	-
8	Others,	10,455
9	Ceiling as per Act	-
	Total	8,65,104

B Sitting Fees to Non-executive – Non-independent Directors

Name of Director	Sitting Fees to attend Board Meeting	Sitting Fees to attend Committee Meeting	Commission	Others	Total
Mr. Aditya A. Garware	31,000	14,250	-	-	45,250
Mrs. Shefali S. Bajaj	5,000	-	-	-	5,000

C Sitting Fees to Independent Directors

Name of Director	Sitting Fees to attend Board Meeting	Sitting Fees to attend Committee Meeting	Sitting Fees to attend Independent Directors' Meeting	Total
Late Dr. Bhupendra M. Saraiya*	26,000	11,750	-	37,750
Mr. Rajiv S. Khanna	18,000	4,500	5,000	27,500
Mr. Sanjay V. Chinai	31,000	7,750	5,000	43,750
Mr. Vikas D. Sadarangani**	5,000	1,250	5,000	11,250

* Expired on 17th January, 2017. **Appointed as Additional Director (Independent category) w.e.f. 26th November, 2016.

D Remuneration to Company Secretary and Chief Financial Officer (CFO)- KMP

Amount in Rs.

Sr No	Particulars	Ms. Pallavi P. Shedge Company Secretary	Mrs. Vipulata S. Tandel CFO (01.02.2017 to 31.03.2017)*
1	Salary	6,05,332	54,928
	a. Salary as per Provisions contained in Section 17(1) of the Income Tax Act, 1961.		
	b. Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	c. Profit in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-
	Gross Salary		



2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
5	- As % or profit	-	-
6	- Other	-	-
7	Others	-	-
Total		6,05,332	54,928

* Appointed as CFO w.e.f. 01st February, 2017.

VII Penalties/ punishment/ compounding of offences:

Type	Section of the Companies Act	Brief Description	Details of penalty/ punishment/ compounding of offences	Authority (RD/ NCLT/ Court)	Appeal made, if any, (give details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other offences					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**ANNEXURE B
FORM NO. AOC 2**

(Pursuant to Clause (h) of Section 134 of the Act and Rule 8(2) of the Companies (Account) Rules, 2014.

Form for Disclosure of particulars of contracts/ arrangements entered into by the Company with related parties 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 arms-length basis:

Sr. No.	Particulars	Details
1	Name(s) of the related party and 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 transactions 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 arms-length basis:

Sr. No.	Particulars	Details
1	Name(s) of the related party and nature of relationship.	Global Offshore Services Limited
2	Nature of contracts/ arrangements/ transaction.	Ship repair service
3	Duration of the contracts/ arrangements/ transaction.	Ongoing
4	Salient terms of the contracts or arrangements or transactions including the value, if any.	As per the Agreement
5	Date of approval by the Board.	29 th October, 1999

ANNEXURE C
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2017

(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 covering the financial year ended on **31st March, 2017** 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 financial year ended on **31st March, 2017** 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 & 2015;
 - 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 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(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;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit period)**;
 - h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations');
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit period)**;



(vi) Specific laws applicable as mentioned hereunder:

As informed by the Management of the Company, during the Audit period there was no business activities carried out by the Company under **The Merchant Shipping Act, 1958**.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with the BSE Limited;

During the year 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.

Resolutions have been approved by majority while the dissenting members', if any, 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: July 29, 2017

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.

Signature:

CS Rajkumar R. Tiwari

Place: Mumbai

Date: July 29, 2017

Company Secretary in Practice
FCS No. 4227 C.P. No. 2400

ANNEXURE D

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i] The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-2017:

Name of Directors, Company Secretary & Chief Financial Officer	Ratio of remuneration to median remuneration of Employees
Mr. Shyamsunder V. Atre – Executive Director	2.39:1
Ms. Pallavi P. Shedge – Company Secretary	1.67:1
Mrs. Vipulata S. Tandel – Chief Financial Officer	0.91:1

- ii] The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year 2016-2017:

Name of Key Managerial Personnel:	% increase in remuneration in the financial year 2016-17
Mr. Shyamsunder V. Atre – Executive Director	-31.61%
Ms. Pallavi P. Shedge – Company Secretary	-5.24%
Mrs. Vipulata S. Tandel – Chief Financial Officer	Not Applicable*

*Appointed as CFO w.e.f. 01st February, 2017.

- iii] The percentage increase in the median remuneration of employees on an annualized basis in the financial year: **-5%**
- iv] The number of permanent employees on the rolls of Company as on 31st March, 2017: **11**
- v] Average percentile increase already made in the salaries of employees other than the Managerial personnel in the last financial year and its comparison with the percentile increase in the Managerial remuneration and justification thereof and any exceptional circumstances if any, for increase in the Managerial remuneration:
- Average increase in remuneration (on an annualized basis) of employees excluding KMPs: **Nil**
 - Average decrease in remuneration of KMPs: **15%**
 - KMP salary increases are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks: **Nil**

- vi] Affirmation:

The Company affirms remuneration is as per the Remuneration Policy of the Company.

- vii] Details of top ten employees in terms of remuneration drawn during the financial year 2016-17:

Sr. No.	Name of Employee & Designation.	Designation	Gross Remuneration /Salary per annum as on 31/03/2017	Remark
1.	Mr. Shyamsunder V. Atre*	Executive Director - KMP	8,65,104	-
2.	Ms. Pallavi P. Shedge	Company Secretary - KMP	6,05,332	-
3.	Mrs. Vipulata S. Tandel**	Chief Financial Officer -KMP	54,928	-
4.	Mr. Akbar I. Sayyed	Marine Hy. Fitter	4,24,390	-
5.	Mr.Murlidhar R. Sawant	Marine Welder	4,31,012	-
6.	Mr. John B. Pariera	Marine Welder	4,33,262	-
7.	Mr. Mayur S. Kochare	Purchase Officer	3,74,867	-
8.	Mrs. Swati Y. Jangle	Comp. Operator/ Assistant	3,22,336	-
9.	Mrs. Deepa D. Khot	Accounts Assistant	3,13,192	-
10.	Mr. Suyog A. Vaity	Accounts Officer	2,27,970	-

* During the year, due to a severe downturn in the operations of the Company, the remuneration of Executive Director and the salary of all other employees including Company Secretary was revised (downward).

**Appointed as Chief Financial Officer w.e.f. 01.02.2017. Earlier she was working as Jr. Accounts Officer. There is no change in the salary of Mrs. Tandel after her appointment as CFO.

- viii] Statement of particulars of employees pursuant to the provisions of Section 197(12) of Companies Act, 1956 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: There is **no** employee whose salary exceeded Rs.8.50 Lakhs per month or Rs.1.02 Crore p.a.



REPORT ON CORPORATE GOVERNANCE

Philosophy on code of governance

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2017 in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation").

The Company governance policy is based on a set of systems and practices to ensure that the Company's affairs are being managed in a manner that ensures accountability, transparency and fairness in all transactions in the widest sense.

Board of Directors

The composition and strength of the Board is reviewed from time to time to ensure that it remains aligned with statutory as well as business requirements.

The details of each member of the Board along-with the number of Directorship/ Committee Membership are as given below:

Sr. No.	Name of the Director	Category of Director	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorship in other companies (Excluding GMIL***)	No. of other Board Committees in which Chairman/ Member (Excluding GMIL)	
						Chairman	Member
1	Mr. Aditya A. Garware (DIN: 00019816)	Chairman, Non-Executive – Non-Independent Director (Promoter)	5	Yes	9	-	1
3	Mrs. Shefali S. Bajaj (nee Garware) (DIN: 00149511)	Non-Executive – Non-Independent Director (Promoter)	1	Yes	1	-	-
3	Mr. Shyamsunder V. Atre (DIN: 01893024)	Executive Director	5	Yes	2	-	-
4	Late Bhupendra M. Saraiya* (DIN: 00035002)	Independent Director	4	Yes	-	-	-
5	Mr. Rajiv S. Khanna (DIN: 02855080)	Independent Director	3	Yes	-	-	-
6	Mr. Sanjay V. Chinai (DIN: 00245418)	Independent Director	5	Yes	2	-	-
7	Mr. Vikas D. Sadarangani** (DIN:07657018)	Independent Director	2	N.A.	-	-	-

*Expired on 17th January, 2017. **Appointed as Additional Director w.e.f. 26th November, 2016. ***GMIL: Garware Marine Industries Limited.

Mr. Aditya A. Garware and Mrs. Shefali S. Bajaj (nee Garware) are related to each other.

During the year under review, the Board meets at regular intervals. 5 Meetings of the Board of Directors were held on 30th May, 2016, 08th July, 2016, 04th November, 2016, 26th November, 2016 and 09th February, 2017 to discuss and decide on business strategies/policies and review the:

- financial performance;
- the compliances pertaining to all the Laws applicable to the Company.
- the "Minimum Information" vide Schedule II – Part A of SEBI, (Listing Obligations And Disclosure Requirements) Regulations, 2015.

The maximum time gap between two Board Meetings did not exceed 120 days.

During the year under review, the Non-Executive Directors were paid Sitting fees of Rs.8,000/- per meeting dated 30th May, 2016 and 08th July, 2016 and Rs. 5,000/- per meeting dated 04th November, 2016, 26th November, 2016 and 09th February, 2017 of the Board of Directors.

The Non-Executive - Independent Directors fulfil the conditions of independence specified in Section 149 of the Companies Act, 2013 and Regulation 16(b) of the Listing Regulation.

Governance

Code of Business Conduct & Ethics

The Company has adopted a Code of Business Conduct & Ethics (“the Code”) which is applicable to the Board of Directors and Senior Management Team (one level below the Board of Directors) of the Company. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company’s website, www.garwaremarine.com.

Disclosure of Interest

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other Companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of the Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

Insider Trading Code

The object of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT) is to curb the practice of insider trading in the securities of a listed company. The Company has adopted an ‘Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders’ (“the Code”) in accordance with the requirements of the PIT Regulations. The Code is applicable to Promoters and Promoter’s Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company has also formulated ‘The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)’ in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code is displayed on the Company’s website, www.garwaremarine.com.

The details of shares and convertible instruments held by Non-executive Directors are as follows:

Sr. No.	Name of the Director	Category	No. of shares held	No. of Convertible Instruments held
1	Mr. Aditya A. Garware	Non-Executive – Non-Independent Director	2,10,229	-
2	Mrs. Shefali S. Bajaj (nee Garware)	Non-Executive – Non-Independent Director	74,200	
3	Late Bhupendra M. Saraiya	Independent Director	100	-
4	Mr. Rajiv S. Khanna	Independent Director	100	-
5	Mr. Sanjay V. Chinai	Independent Director	-	-
6	Mr. Vikas D. Sadrangani	Independent Director	-	-

Familiarization Program

The Board has explained from time to time to all the Independent Directors about the status of business and their responsibilities and commitments (being Independent Directors of the Company). The details of Directors familiarization program is displayed on the Company’s website, www.garwaremarine.com

Independent Directors’ Meeting

During the year under review, the Independent Directors met on 09th February, 2017, inter alia, to discuss:

- Evaluation of performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present for this Meeting. Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of all the Directors including Chairman was carried out and the evaluation report was satisfactory.

Audit committee

The Audit Committee has 3 members including 2 Independent Directors.

The members of the Committee are well versed with finance, accounts and general business practices.



Mr. Sanjay V. Chinai, Independent Director, acts as Chairman of the Audit Committee.

Ms. Pallavi P. Shedge, Company Secretary acts as the Secretary of the Audit Committee.

During the year the Committee was re-constituted twice i.e. on 26th November, 2016 and on 09th February, 2017. The following is the composition and its meetings of the Committee:

Sr. No.	Name of the Director & Category	Chairman / Member	30.05.2016	08.07.2016	04.11.2016	09.02.2017
1	Mr. Sanjay V. Chinai* Independent Director	Chairman	P	P	P	P
2	Late. Bhupendra M. Saraiya** Independent Director	Member	P	P	P	-
3	Mr. Aditya A. Garware Non-Executive – Non-Independent Director	Member	P	P	P	P
4	Mr. Vikas D. Sadarangani*** Independent Director	Member	-	-	-	P

*Appointed as Chairman of the Committee w.e.f. 26th November, 2016. **Expired on 17th January, 2017. He was a Chairman of the Committee till 25th November, 2016. ***Appointed as Member of the Committee w.e.f. 09th February, 2017.

Terms of reference

The Committee's composition meets with requirements of Section 177 of Companies Act, 2013 and Regulation 18 of Listing Regulation. 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:

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, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, 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 to be included 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. Modified opinion(s) 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 up steps in this matter;
7. Reviewing and monitoring 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 undertakings or assets of the Company, wherever it is 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 thereon;
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 the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The audit committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

Nomination and Remuneration Committee

During the year the Committee was re-constituted twice i.e. on 26th November, 2016 and on 09th February, 2017. The following is the composition and meetings of the Committee.

Sr. No.	Name of the Director & Category	Chairman / Member	30.05.2016	30.06.2016	04.11.2016	26.11.2016	09.02.2017
1	Mr. Sanjay V. Chinai * Independent Director	Chairman	-	-	-	-	P
2	Late Bhupendra M. Saraiya** Independent Director	Member	P	P	P	P	-
3	Mr. Aditya A. Garware Non-Executive – Non-Independent Director	Member	P	P	P	P	P
4	Mr. Rajiv S. Khanna Independent Director	Member	LoA***	P	P	LoA***	P

*Appointed as Chairman of the Committee w.e.f. 26th November, 2016. **Expired on 17th January, 2017. He was a Chairman of the Committee till 25th November, 2016. ***Leave of Absence.

The Nomination and Remuneration Committee has 3 members (including 2 Independent Directors) and all are Non-Executive Directors.

Ms. Pallavi P. Shedge, Company Secretary acts as the Secretary of the Nomination and Remuneration Committee



Terms of reference

The Board has framed the Remuneration and Nomination Committee Charter which ensures effective Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, which are as follows:

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Whole-time Director(s) and Senior Management (one level below the Board);
- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/reappointment and removal of Directors;
- formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- to frame criteria for determining qualifications, positive attributes and independence of Directors and whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- to recommend to the Board, remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 are to be considered);
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist in developing a succession plan for the Board;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- delegation of any of its powers to any Member of the Committee or the Compliance Officer.

Remuneration paid to Mr. Shyamsunder V. Atre, Executive Director during the Financial Year 2016-17

Salary	8,65,104
Monetary Value of Perquisites	-
Bonus	-
Contribution to PF	-
Pension	-
Stock Option	-
Severance Fees	-
Sitting Fees	-
Total	8,65,104

The remuneration paid to the executive Director has been revised (reduced by 42.50%) w.e.f. 01 July, 2016.

Sitting Fees to Non-Executive Directors during the Financial Year 2016-17

The Non-Executive Directors are paid sitting fees for each meeting of the Board of Directors attended by them. The Non-Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company.

Sr. No.	Name of Non-Executive Director	Sitting Fees paid during the FY 2016-17		
		For attending Board Meeting	For attending Committee Meeting	For attending Independent Directors' Meeting
1	Mr. Aditya A. Garware	31,000	14,250	-
2	Mrs. Shefali S. Bajaj	5,000	-	-
3	Late Bhupendra M. Saraiya	26,000	11,750	-
4	Mr. Rajiv S. Khanna	18,000	4,500	5,000
5	Mr. Sanjay V. Chinai	31,000	7,750	5,000
6	Mr. Vikas D. Sadarangani	5,000	1,250	5,000

Stakeholders' grievance committee

The Committee was re-constituted twice during the year, on 26th November, 2016 and on 09th February, 2017 and the following are the Chairman and members of the Committee.

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Sr. No.	Name of the Director	Category	Chairman / Member
1	Mr. Vikas D. Sadarangani*	Independent Director	Chairman
2	Mr. Aditya A. Garware	Non-Executive – Non-Independent Director	Member
3	Mr. Sanjay V. Chinai**	Independent Director	Member
4	Mr. Shyamsunder V. Atre	Executive Director	Member
5	Late Bhupendra M. Saraiya***	Independent Director	Member

*Appointed as Chairman of the Committee w.e.f. 26th November, 2016. **Appointed as Member w.e.f. 26th November, 2016. ***Expired on 17th January, 2017. He was also a Chairman of the Committee till 25th November, 2016.

Ms. Pallavi P. Shedge, Company Secretary acts as the Secretary of the Shareholders' Grievance Committee and the Compliance Officer of the Company.

Status of Complaints during the year:

No of complaints in the beginning of the year	0
No of complaints received during the year	8
No of complaints solved during the year	8
No of complaints pending during the year	0

Role:

The Committee considers and resolves the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

Corporate Social Responsibility Committee

The Committee was re-constituted twice during the year, on 26th November, 2016 and on 09th February, 2017 and on the following are the Chairman and members of the Committee.

Sr. No.	Name of the Director	Category	Chairman / Member
1	Mr. Sanjay V. Chinai*	Independent Director	Chairman
2	Mr. Aditya A. Garware	Non-Executive – Non-Independent Director	Member
3	Mr. Vikas D. Sadarangani**	Independent Director	Member
4	Late Bhupendra M. Saraiya***	Independent Director	Member
5	Mr. Rajiv S. Khanna****	Independent Director	Member

*Appointed as Chairman w.e.f. 26th November, 2016. ** Appointed as Member w.e.f. 26th November, 2016. ***Expired on 17th January, 2017. He was a Chairman of the Committee till 25th November, 2016. **** Appointed as Member w.e.f. 09th February, 2017.

In view of the average loss incurred, (based on the past 3 years results) it was not required to make any contribution towards CSR and thus the required details are "Not Applicable".

Independent Directors' Meeting

During the year under review, the Independent Directors met on 09th February, 2017, inter alia, to discuss:

- Evaluation of performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present for this Meeting. Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Directors was carried out by the Independent Directors. The Directors evaluation was satisfactory.

General body meetings

- Details of the last three years Annual General Meetings

Financial Year	Date	Time	Venue
2015-16	30.09.2016	11:30 A.M.	"Garware Sabhagriha" F.P.H. Building, Lala Lajpatrai Marg, Haji Ali, Mumbai – 400 034
2014-15	30.09.2015	11:00 A.M.	"Garware Sabhagriha" F.P.H. Building, Lala Lajpatrai Marg, Haji Ali, Mumbai – 400 034
2013-14	19.12.2014	10:30 A.M.	"Garware Sabhagriha" 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 in the previous three Annual General Meetings

AGM dated 30.09.2016 for Financial Year 2015-16

Revision in remuneration payable to Mr. Shyamsunder V. Atre, Executive Director w.e.f. 01st July, 2016.

AGM dated 30.09.2015 for Financial Year 2014-15 – Nil

AGM dated 19.12.2014 for Financial Year 2013-14

Alteration of Articles of Association of the Company

- Resolution(s) passed through Postal Ballot during the financial year ended 31st March, 2017 - Nil

Other Compliances / Disclosures

- Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has formulated its Vigil Mechanism, under the Whistle Blower Policy, for its Directors and employees to report genuine concerns.

Vigil Mechanism of the Company provides adequate safeguards against victimization of Director(s) or employees or any other person who avail the mechanism and also provides direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy of the Company is disclosed on the website of the Company, www.garwaremarine.com

During the Financial Year ended 31st March, 2017, no complaint has been received by the Audit Committee from Director(s) or employee(s) of the Company;

- There is no Related Party Transaction, which had potential conflict with the interest of the Company at large. All related party transactions have been approved by the Audit Committee. There is no material transactions with related parties. As required, the Company has formulated a policy to deal with Related Party Transactions under Regulation 23(1) of the Listing Regulation and the Policy is available on the website of the Com, www.garwaremarine.com.
- The Company does not have any Subsidiary or Wholly-owned Subsidiary.
- All the Independent Directors have satisfied the applicable provisions under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- All the Directors and Senior Management have satisfied the applicable provisions under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Discretionary Requirements stated under Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
 - No remuneration or any other facilities provided to Non-executive Chairman except sitting fees to attend Board and Committee meetings;
 - The Company has appointed separate person as Chairman (Non-executive Director) and Whole-time Director;
 - The financial statements are prepared with unmodified audit opinion;&
 - Internal Auditors submits their report to the Audit Committee.
- The Company has followed the Accounting Standards in the preparation of the financial statements as referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

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- The Company has prepared quarterly Corporate Governance Report as per Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, duly signed by the Compliance Officer of the Company and submitted the same to the Stock Exchange, BSE Ltd. within 15 days from the end of each quarter;
- There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and no penalty or strictures have been imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority.
- Adoption of non-mandatory requirements of Listing Regulation is being reviewed by the Board from time-to-time.
- The Register of Members and Share Transfer books of the Company will remain closed from Tuesday, 26th September, 2017 to Thursday, 28th September, 2017 (both days inclusive).
- Disclosure on Significant & Material Order passed by the Regulatory is given on page No. 12 of Boards' Report.

Communication

Pursuant to the Regulation 33(3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Company has submitted its Quarterly and Year to date Financial Results to BSE Ltd. The details of the meeting conducted for each quarter ended are as follows:

Quarter ended on	The date of Board Meeting on which the Financial Results were approved
30.06.2016	08.07.2016
30.09.2016	04.11.2016
31.12.2016	09.02.2017
31.03.2017	11.05.2017

Pursuant to the Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the above mentioned quarterly Financial Results were published in newspapers namely:

The Free Press Journal (English)

Navshakti (Marathi)

The said results have also been displayed on the Company's website www.garwaremarine.com.

General Information

Details of the 39th Annual General Meeting of the Company are as follows:

Date	28.09.2017
Time Venue	11:30AM "Garware Sabhagriha", F.P.H. Building, 5 th Floor, Lala Lajpatrai Marg, Haji Ali, Mumbai – 400 034
Financial Year	01.04.2016 to 31.03.2017
Dividend Payment Date	N.A.
the name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)	BSE Ltd. The Company has paid annual listing fees to BSE Ltd. for FY 2017-18.
Stock Code	BSE SCRIP CODE: 509563
ISIN No	INE925D01014
Outstanding ADR & GDR	Not applicable

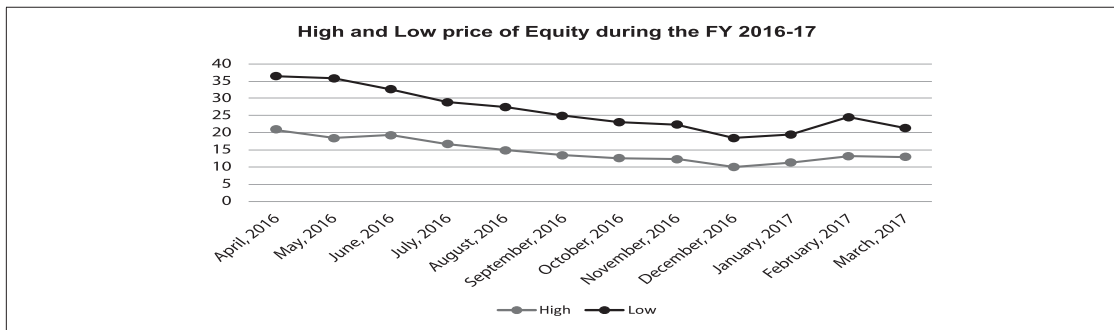
Market price data- high, low during each month in last Financial Year 2016-17

Month	BSE Ltd.	
	High	Low
April, 2016	20.94	15.54
May, 2016	18.50	17.30
June, 2016	19.40	13.30
July, 2016	16.80	12.05
August, 2016	15.00	12.45



September, 2016	13.50	11.41
October, 2016	12.55	10.60
November, 2016	12.48	10.00
December, 2016	10.13	8.25
January, 2017	11.27	8.27
February, 2017	13.23	11.30
March, 2017	13.00	8.44

BSE Ltd.



Registrar & Transfer Agent Bigshare Services Private Limited
 1st Floor, Bharat Tin Works Building,
 Opp. Vasant Oasis, Makwana Road
 Marol, Andheri East, Mumbai 400059
 Tel: 022 62638200 / Fax : 022 62638299
 Email: info@bigshareonline.com
 Website: www.bigshareonline.com

Share Transfer System

The transfer of shares in physical form is processed and completed by Registrar and Transfer Agent within a period of seven days from the date of receipt thereof, provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/ CDSL through respective Depository Participants. In compliance with the Listing Regulation, a Practicing Company Secretary carries out audit of the system of Transfer and a Certificate to that effect is issued.

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferred in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Transfer Agent.

Distribution of shareholding and category wise distribution has been given in Annexure A of this Report.

As on 31st March, 2017, 85.54% of total paid-up equity share capital had been dematerialized.

During the year under review the Company has not issued any Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments.

Location of business: The Operations of the Company are primarily based in India.

Address for Correspondence Ms. Pallavi P. Shedge
 Company Secretary
 Garware Marine Industries Limited
 CIN:L12235MH1975PLC018481
 Reg. Address:102, Buildarch Wisteria, 1st Floor,
 Ram Maruti Road, Dadar (West), Mumbai – 400 028
 Email: investorredressal@garwaremarine.com
 Tel: 022 2423 4000, Fax: 022 2436 2764

Email address for Investor Grievances : investorredressal@garwaremarine.com

Compliance Certificate of the Auditors'

The Statutory Auditors' have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulation and the same is annexed to this Report.

Declaration:

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Garware Marine Industries Limited Code of Business Conduct and Ethics for the year ended 31st March, 2017.

CEO/ CFO Certification:

The Company has obtained from the Executive Director and Chief Financial Officer, a Certificate pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

On Behalf of the Board

Date: 02nd August, 2017

Place: Mumbai

Aditya A. Garware
Chairman
Annexure A

Distribution of shareholding and category wise distribution as on 31st March, 2017:

Shareholding of Nominal Rs.	No. of shareholders	Percentage of total	Share Amount	Percentage of total
1 to 5,000	8,945	94.29	1,08,21,820	18.77
5,001 to 10,000	306	3.22	23,86,370	4.14
10,001 to 20,000	112	1.19	15,98,910	2.78
20,001 to 30,000	24	0.25	6,07,070	1.05
30,001 to 40,000	9	0.09	3,15,450	0.55
40,001 to 50,000	13	0.14	6,06,880	1.05
50,001 to 1,00,000	24	0.25	17,62,880	3.06
1,00,001 to 9,99,99,99,999	54	0.57	3,95,62,460	68.60
Total	9,487			100

Shareholding pattern as on 31st March, 2017:

Sr. No.	Category	No. of shares held	Percentage of total paid-up capital
A	Promoter Holding		
a.	Individual	13,25,222	22.98
b.	Bodies Corporate	8,36,333	14.50
	Total A	21,61,555	37.48
B	Public Holding		
	1. Institutional		
a.	Mutual Funds	100	0.00
b.	Financial Institutions/ Banks	325	0.00
c.	Central Government / State Government	1,40,000	2.43
	Total B1	1,40,425	2.43
	2. Non-Institutional		
a.	Bodies Corporate	1,99,505	3.46
b.	Individual	30,99,273	53.76
c.	Any other member:		



	NBFC	250	0.01
	Trusts	1,57,143	2.73
	Clearing Member	656	0.01
	Non Resident Indians	7,377	0.12
	Total B2	34,64,204	60.09
	Total B (B1+B2)	36,04,629	62.52
C	Shares held by 2Custodians	-	-
	Total A+B	57,66,184	100

Auditor's Certificate on Compliance with the conditions of Corporate Governance under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

To,

The Members,

Garware Marine Industries Limited

We have examined the compliance of condition of Corporate Governance by Garware Marine Industries Limited for the year ended 31st March, 2017 as stipulated in Regulation 17, 18, 19, 20, 22, 23, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and 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 an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

We 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.

For Raman S. Shah & Associates
Chartered Accountants
Firm Reg. No.119891W

Mumbai,
August 02, 2017

Santosh A. Sankhe
Partner
Membership No. :100976

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRIAL STRUCTURE & DEVELOPMENT:

Your Company continues to operate its Ship Repair Division.

OPPORTUNITIES:

The Company is constantly looking at widening its “client base”. Even though the repair division continues to help defray the Company’s existing costs, the said division is yet to grow substantially.

THREATS:

Since the operations of the Company are solely dependent on repair of vessels, the Company is greatly dependent on the fortunes of the Offshore and Shipping sector. Considering both these sectors have been going through difficult times, with no recovery expected in the immediate future, the Company too will face “trying” times in the near future.

The Company’s management continues to try to identify new customers to provide services and though this has yielded some services in the past, customers are reluctant to spend vast sums of monies on repairs especially since their revenues have been “slashed” to levels of operating costs. Lay up of vessels which has become more common recently, is also adversely affecting the Company’s revenues.

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 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 the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss Statement, the Cash Flow Statement for the year 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 standalone 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 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, 2017;
- (ii) In the case of Statement of Profit & Loss, of the loss for the year ended on that date;
- (iii) In the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the 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, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of sub-section (2) of section 164 of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - b) The Company does not have any long-term contracts including derivative contracts for which there could be any material foreseeable losses and hence, the question of making provision for such losses does not arise.
 - c) 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 : 11th May, 2017

ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT

REFERRED TO IN PARAGRAPH OF OUR REPORT OF EVEN DATE

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

- 1 In respect of its Fixed Assets
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b. 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 year and the going concern status of the Company is not affected.
- 2 In respect of its Inventories
 - a. As explained to us, inventories have been physically verified by the management at regular intervals during the year.
 - b. 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.
 - c. 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, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.

- 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
 - a. According to the records of the Company, the Company is generally regular in depositing the undisputed statutory dues including income-tax, service tax and other applicable statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of service tax and other applicable statutory dues were in arrears as at 31st March, 2017 except income tax for a period of more than six months from the date they became payable. As explained to us, the Company did not have any dues on account of provident fund, employees' state insurance, sales tax, duty of customs, duty of excise and value added tax, cess.
 - b. The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 and these are in accordance with the books of accounts maintained by the company
 - c. According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, custom duty, excise duty which have not been deposited on account of any dispute.
- 8 The Company has not made any borrowings from financial institutions, banks and government or issued debentures. Thus, paragraph 3(viii) of the Order is not applicable.
- 9 The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Thus, paragraph 3 (ix) of the Order is not applicable.
- 10 According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of our audit.
- 11 According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 12 In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14 According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15 According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- 16 The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

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

SANTOSH A. SANKHE
Partner
M.No.100976

PLACE : Mumbai
DATE : 11th May, 2017

ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **M/S GARWARE MARINE INDUSTRIES LTD.** ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

SANTOSH A. SANKHE
Partner
M.No.100976

PLACE : Mumbai
DATE : 11th May, 2017



BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31st March, 2017 Rupees	As at 31st March, 2016 Rupees
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	2	5,76,61,840	5,76,61,840
Reserves and Surplus	3	(63,83,423)	(12,84,450)
		5,12,78,417	5,63,77,390
Current liabilities			
Trade payables	4	6,17,919	1,64,122
Other current liabilities	5	56,84,282	58,26,720
		63,02,201	59,90,842
TOTAL		5,75,80,618	6,23,68,232
II. ASSETS			
Non-current assets			
Fixed assets	6		
(i) Tangible assets		1,35,902	1,51,934
(ii) Intangible assets		1,299	1,299
		1,37,201	1,53,233
Non-current investments	7	84,46,579	89,28,117
Deferred Tax Assets	8	8,00,000	16,00,000
Current Assets			
Inventories	9	-	29,58,263
Trade receivables	10	3,98,30,052	3,61,42,328
Cash and cash equivalents	11	6,71,313	38,99,149
Short-term loans and advances	12	58,48,090	68,39,759
Other Current Assets	13	18,47,383	18,47,383
		4,81,96,838	5,16,86,882
TOTAL		5,75,80,618	6,23,68,232

See accompanying notes forming part of the financial statements 1 to 21

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

V. S. Tandel

Chief Financial Officer

P. P. Shedge

Company Secretary

Mumbai, 11th May, 2017

Mumbai, 11th May, 2017

PROFIT AND LOSS ACCOUNT STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	Year Ended 31st March, 2017 Rupees	Year Ended 31st March, 2016 Rupees
I Revenue from operations	14	87,99,331	1,16,06,630
II Other Income	15	14,49,681	83,47,782
III Total Revenue (I+II)		1,02,49,012	1,99,54,412
IV Expenses			
Cost of materials consumed	16	-	-
Change in inventories of finished goods and work in progress	17	29,58,263	-
Employee benefit expenses	18	48,34,941	57,93,081
Finance cost	19	5,14,703	5,61,199
Depreciation and amortisation expenses		16,032	16,032
Other expenses	20	62,24,046	1,33,38,841
Total expenses		1,45,47,985	1,97,09,153
V Profit / (Loss) before Tax (III-IV)		(42,98,973)	2,45,259
VI Less : Tax expenses			
Current tax		-	-
Deferred tax		8,00,000	8,00,000
Tax for earlier years		-	(5,60,000)
		8,00,000	2,40,000
VII Profit / (Loss) for the year (V-VI)		(50,98,973)	5,259
VIII Earnings per share	21(10)		
Basic Earning per share		(0.88)	-
Diluted Earning per share		(0.88)	-

See accompanying notes forming part of the financial statements 1 to 21

As per our Report of even date attached

For Raman S. Shah & Associates

Chartered Accountants
Firm Reg. No. 119891W

Santosh A. Sankhe

Partner
Membership No. :100976

Mumbai, 11th May, 2017

For and on behalf of the Board

A. A. Garware

Chairman

S. V. Atre

Executive Director

V. S. Tandel

Chief Financial Officer

P. P. Shedge

Company Secretary

Mumbai, 11th May, 2017



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Year Ended 31.03.2017 (Rupees)		Year Ended 31.03.2016 (Rupees)	
A. Cash Flow arising from Operating Activities :				
Net profit / (loss) before tax and extraordinary items		(42,98,973)		2,45,259
Add / (Less) :				
a) Depreciation charges	16,032		16,032	
b) Interest charges	5,14,703		5,61,199	
c) Receivables Written Off	10,97,791		-	
d) Investment Written Off	3,96,981		-	
e) Stores Inventory Written Off	-		68,64,306	
f) (Profit) / Loss on sale of assets	-		1,86,351	
g) (Profit) / Loss on sale of investment	(14,43,349)		(62,24,844)	
h) Interest Income	(6,332)		(95,281)	
i) Taxes Paid	(1,06,122)	4,69,704	(5,15,572)	7,92,190
Operating Profit / (loss) before working changes		(38,29,269)		10,37,449
Add :				
a) Decrease in Loans & Advances	-		-	
b) Decrease in inventories	29,58,263		-	
c) Decrease in investment	4,81,538		-	
d) Decrease in other current assets	-	34,39,801	-	-
		(3,89,467)		10,37,449
(Less) a) Increase in Trade & Other Receivables	(36,87,724)		(27,34,567)	
b) Decrease in Trade Payable	4,53,797		(8,76,580)	
c) Decrease in Current Liabilities	30,182		(15,20,498)	
d) Increase in loans & advances	-	(36,85,283)	(97,775)	(53,23,170)
Net cashflow from operating Activities	[A]	(40,74,750)		(42,85,721)
B. Cash Flow arising from Investing Activities :				
Outflow on account of investing activities				
a) Acquisition of fixed assets (Incl. Capital WIP)	-		-	
Inflow on account of investing activities				
a) Sale of fixed assets	-		88,889	
b) Sale of investments	15,27,906	15,27,906	64,12,344	65,01,233
Net cashflow from investing Activities	[B]	15,27,906		65,01,233
C. Cash Flow arising from Finance Activities :				
Inflow on account of Financing activities				
a) Interest Income	6,332		95,281	
b) Dividend Income	-	6,332	-	95,281
Outflow on account of Financing activities				
a) Unclaimed Dividend paid	(1,72,621)		(1,90,647)	
b) Interest on loans paid	(5,14,703)	(6,87,324)	(5,61,199)	(7,51,846)
Net cashflow from financing Activities	[C]	(6,80,991)		(6,56,565)
Net increase in cash / cash equivalent	[A + B + C]	(32,27,835)		15,58,948
Add : Balance at the beginning of the year		38,99,149		23,40,201
Cash / Cash equivalents at the close of the year		6,71,313		38,99,149
Notes to cash flow :				
Components of cash flow :				
Cash - On - Hand		9,717		46,879
Demand deposits with bank (Bank balances)		6,61,596		38,52,270
		6,71,313		38,99,149

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, 11th May, 2017

V. S. Tandell
Chief Financial Officer

P. P. Shedge
Company Secretary

Mumbai, 11th May, 2017

AUDITORS' REPORT

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 year ended 31st March, 2017. 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 : 11th May, 2017

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

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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	As at 31st March 2017		As at 31st March 2016	
	Number	Rupees	Number	Rupees
Share Capital				
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	99,10,000	10,00,00,000	99,10,000	10,00,00,000
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	57,66,184	5,76,61,840	57,66,184	5,76,61,840

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

a) Reconciliation of Equity Shares Outstanding

Particulars	Equity Shares	
	Number	Rupees
Shares outstanding at 1st April 2016	57,66,184	5,76,61,840
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at 31st March 2017	57,66,184	5,76,61,840

b) Details of Shareholders holding more than 5% shares

Name of Shareholder	As at 31st March 2017		As at 31st March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sushma A. Garware	9,36,090	16.23%	-	-
Ashok B. Garware	-	-	9,28,195	16.10%

NOTE 3 Reserves & Surplus	As at 31st March 2017		As at 31st March 2016	
	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	(4,31,47,046)		(4,31,52,305)	
(+) Net Profit / (Loss) For the current year	(50,98,973)		5,259	
Closing Balance		(4,82,46,019)		(4,31,47,046)
Total		(63,83,423)		(12,84,450)

NOTE 4 Trade Payables	As at 31st March 2017		As at 31st March 2016	
	Rupees		Rupees	
Micro, Small & Medium Enterprises		-		-
Others		6,17,919		1,64,122
Total		6,17,919		1,64,122

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 2017		As at 31st March 2016	
	Rupees		Rupees	
Unclaimed Dividends (To be credited to the Investor Education & Protection Fund as and when due)		4,01,184		5,73,804
Duties & Taxes Payables		92,054		18,975
Other Liabilities		51,91,044		52,33,941
Total		56,84,282		58,26,720

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 6

Fixed Assets

Amount in Rupees

Sr. No	Particulars	Gross Block				Depreciation			Net Block	
		As at 01.04.2016	Addition during the year	Deduction during the year	As at 31.03.2017	As at 01.04.2016	During the year	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
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	6,02,960	-	6,02,960	31,730	31,730
3	Vehicles	6,13,643	-	-	6,13,643	6,13,643	-	6,13,643	-	-
4	Computers	7,35,287	-	-	7,35,287	6,71,980	16,032	6,88,012	47,275	63,307
	TOTAL	31,67,173	-	-	31,67,173	30,15,239	16,032	30,31,271	1,35,902	1,51,934
B	Intangible Assets									
	Computer Software	26,000	-	-	26,000	24,701	-	24,701	1,299	1,299
	TOTAL	26,000	-	-	26,000	24,701	-	24,701	1,299	1,299
	Grand Total (A+B)	31,93,173	-	-	31,93,173	30,39,940	16,032	30,55,972	1,37,201	1,53,233
	Previous Year	31,93,173	-	-	31,93,173	30,23,908	16,032	30,39,940	1,53,233	

NOTE 7 Investments	As at 31st March 2017	As at 31st March 2016
	Rupees	Rupees
SHARES :		
A Quoted		
14,57,886 (Previous year 14,73,260) Equity Shares of face value of Rs.10/- each fully paid of Global Offshore Services Ltd. (Market Value Rs. 6,32,72,252/-, Previous Year Rs. 26,88,69,950/-)	80,29,579	81,14,136
B Unquoted		
NIL (Previous Year 42,550) Equity Shares of Rs.10/- each fully paid of Garware Nylon Ltd.	-	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
Total	84,46,579	89,28,117

NOTE 8 Deferred tax Assets	As at 31st March 2017	As at 31st March 2016
	Rupees	Rupees
Dissallowance under Income Tax Act	8,00,000	16,00,000
Total	8,00,000	16,00,000

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 9 Inventories	As at 31st March 2017	As at 31st March 2016
	Rupees	Rupees
Finished goods including Traded Goods *	-	29,58,263
*(At cost or realisable value whichever is lower as certified by a director)		
Total	-	29,58,263

NOTE 10 Trade Receivables	As at 31st March 2017	As at 31st March 2016
	Rupees	Rupees
(Unsecured, Considered Good)		
(a) Debts outstanding for more than six months	3,51,59,496	3,30,06,996
(b) Other Debts	46,70,556	31,35,332
Total	3,98,30,052	3,61,42,328

NOTE 11 Cash & Cash Equivalents	As at 31st March 2017	As at 31st March 2016
	Rupees	Rupees
a. Balances with banks		
Current Accounts	2,60,412	32,78,466
Unpaid Dividend Accounts	4,01,184	5,73,804
	6,61,596	38,52,270
b. Cash on hand	9,717	46,879
Total	6,71,313	38,99,149

NOTE 12 Short Term Loans and Advances	As at 31st March 2017	As at 31st March 2016
	Rupees	Rupees
(Unsecured, Considered Good)		
Advances recoverable in cash or in kind or for value to be received	6,23,609	17,21,400
Balance with Excise Authorities	6,59,986	6,59,986
Advance Tax and Tax Deducted at Source	25,87,972	24,81,850
Deposits	19,76,523	19,76,523
Total	58,48,090	68,39,759

NOTE 13 Other Current Assets	As at 31st March 2017	As at 31st March 2016
	Rupees	Rupees
(Unsecured, Considered Good)		
Assets held for disposal	18,47,383	18,47,383
Total	18,47,383	18,47,383

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 14 Revenue from Operations	Year Ended 31st March 2017	Year Ended 31st March 2016
	Rupees	Rupees
Operating Revenue	87,99,331	1,16,06,630
Total	87,99,331	1,16,06,630

NOTE 15 Other Income	Year Ended 31st March 2017	Year Ended 31st March 2016
	Rupees	Rupees
Interest Income (Gross)	6,332	95,281
Royalty Income	-	4,66,821
Miscellaneous Income	-	15,60,836
Profit on sale of Investment	14,43,349	62,24,844
Total	14,49,681	83,47,782

NOTE 16 Cost of Materials Consumed	Year Ended 31st March 2017	Year Ended 31st March 2016
	Rupees	Rupees
Stores and Spares Consumed		
Opening Stock of Stores & Spares	-	68,64,306
Add: Purchases	-	-
Less: Stock disposed / written down	-	68,64,306
Less: Closing Stock	-	-
Total	-	-

NOTE 17 Change in Inventories of finished goods and work in progress	Year Ended 31st March 2017	Year Ended 31st March 2016
	Rupees	Rupees
Opening Stock		
Finished Goods (Including Traded Goods)	29,58,263	29,58,263
Semi-finished Goods	-	-
	29,58,263	29,58,263
Closing Stock		
Finished Goods (Including Traded Goods)	-	29,58,263
Semi-finished Goods	-	-
	-	29,58,263
(Increase)/Decrease in inventories of finished goods and work in progress	29,58,263	-

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 18 Employee Benefit Expenses	Year Ended 31st March 2017	Year Ended 31st March 2016
	Rupees	Rupees
(a) Salaries, Wages & Other allowances	44,06,025	52,49,333
(b) Contributions to -		
(i) Provident Fund	1,93,833	1,96,168
(ii) EDLIS	7,229	7,402
(iii) P.F. / EDLIS Administrative Expenses	16,128	16,293
(iv) ESIC	5,070	-
(v) Maharashtra Labour Welfare fund	648	684
(c) Gratuity fund contributions	42,916	1,03,535
(d) Staff welfare expenses	1,63,092	2,19,666
Total	48,34,941	57,93,081

NOTE 19 Finance Cost	Year Ended 31st March 2017	Year Ended 31st March 2016
	Rupees	Rupees
Interest and other Finance expenses	5,14,703	5,61,199
Total	5,14,703	5,61,199

NOTE 20 Other Expenses	Year Ended 31st March 2017	Year Ended 31st March 2016
	Rupees	Rupees
Rent	4,96,452	4,51,320
Repairs & Maintenance		
- Others	25,825	15,700
Conveyance Expenses	73,305	80,288
Insurance	20,751	19,640
Auditors Remuneration	1,75,000	1,75,000
Legal & Professional Expenses	14,98,487	41,86,301
Printing & Stationery	83,191	84,687
Advertisement Expenses	34,208	43,152
Postage & Courier	97,285	1,10,372
Telephone Expenses	82,565	95,049
Travelling Expenses	1,85,330	1,34,987
Stores inventory written off	-	68,64,306
Investment written off	3,96,981	-
Receivable written off	10,97,791	-
Electricity Charges (others)	46,062	41,412
Loss on Sale of Assets held for disposal	-	1,86,351
Other Operating Expenses	16,79,562	8,50,276
Total	62,24,046	1,33,38,841

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 21

Additional Information to financial statements

1 Contingent Liabilities :

As reported in the past, Integrated Finance Company Limited (IFCL) had filed a case against the Company in Chennai, the Madras High Court without warning passed an order against the Company for recovery of Rs. 1.69 Crores and the interest thereon. The Company approached the Madras High Court, for condonation of delay as IFCL had surreptitiously procured the said order without allowing the Company to defend itself.

The Company had also filed a counter suit against Integrated Finance Company Limited for loss of production of Rs. 1.93 Crores together with further interest @ 18% p.a. The said suit though filed in Mumbai was subsequently transferred to Chennai in the year 2013 and is pending before Madras High Court.

2 Auditors Remuneration :

(Rupees)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
(a) Audit Fees	1,55,000	1,55,000
(b) Tax Audit Fees	20,000	20,000

3 Remuneration Paid/ Provided to Wholetime Directors :

(Rupees)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Salaries & Allowances	8,65,104	12,64,983
Total	8,65,104	12,64,983

4 (a) Stocks of Finished Goods

Particulars	Year Ended 31.03.2017				Year Ended 31.03.2016			
	Opening Stock		Closing Stock		Opening Stock		Closing Stock	
	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
	M.T.	Rupees	M.T.	Rupees	M.T.	Rupees	M.T.	Rupees
Nylon Fish Knitted Fabrics	8.333	29,58,263	-	-	8.333	29,58,263	8.333	29,58,263
Total		29,58,263		-		29,58,263		29,58,263

(b) Sales

Particulars	Year Ended 31.03.2017		Year Ended 31.03.2016	
	Qty. M.T.	Value Rupees	Qty. M.T.	Value Rupees
(i) Nylon Fish Knitted Fabrics	8.333	33,33,254	-	-
(ii) Income from other Operations		54,66,077		1,16,06,630
Total		87,99,331		1,16,06,630

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. Investment of 42,550 equity shares and an amount of Rs 10,97,791/- recoverable from them is written off during the year under review.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

7 Related Party Disclosures

a) Key Management Personnel :

S. V. Atre - Executive Director
P. P. Shedge - Company Secretary
V. S. Tandel - Chief Financial Officer

b) Other Related Party :

Global Offshore Services Ltd.

c) Transactions with related parties for the year ended 31st March 2017 :

(Rupees)

Nature of Transactions	Key Manegerial Personnel	Other Related Party	Total
(1) Income from other Operations Global Offshore Services Ltd.	-	54,66,077	54,66,077
(2) Remuneration S. V. Atre	8,65,104	-	8,65,104
P. P. Shedge	6,05,332	-	6,05,332
V. S. Tandel *	54,928	-	54,928
* (Part of the year)			
Total	15,25,364	54,66,077	69,91,441

Outstandings as at 31st March, 2017

(Rupees)

Nature of Transactions	Key Manegerial Personnel	Other Related Party	Total
(1) Income from other Operations Global Offshore Services Ltd.	-	29,51,207	29,51,207
(2) Remuneration S. V. Atre	60,113	-	60,113
P. P. Shedge	49,003	-	49,003
V. S. Tandel *	27,464	-	27,464
* (Part of the year)			
Total	1,36,580	29,51,207	30,87,787

8 There are certain amount of demands raised by Income-Tax department against which the Company has preferred rectification applications.

9 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".

10 Earning Per Share :

Particulars		31.03.2017	31.03.2016
A	Basic Earning Per Share :		
	<u>Earning for Computing Earning Per Share :</u>		
	Profit / (Loss) before Taxation	(42,98,973)	2,45,259
	Less : Provision for Taxation	(8,00,000)	(2,40,000)
		(A)	5,259
	<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/ Forfeited during the year	-	-
		(B)	57,66,184
BASIC EARNING PER SHARE	(A / B)	(0.88)	-
B	Diluted Earning Per Share :		
	<u>Diluted Earning for Computing Diluted Earning Per Share :</u>		
	Profit / (Loss) before Taxation	(42,98,973)	2,45,259
	Less : Provision for Taxation	(8,00,000)	(2,40,000)
		(A)	5,259
	<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
DILUTED EARNING PER SHARE	(A / B)	(0.88)	-

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.

11 Disclosure on Specified Bank Notes :

During the year, the Company has Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows :

Particulars	Amount in Rupees		
	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	8,000	34,397	42,397
Add : Permitted receipts	-	1,52,000	1,52,000
Less : Permitted payments	-	(1,04,385)	(1,04,385)
Less : Amount deposited in banks	(8,000)	(35,000)	(43,000)
Closing cash in hand as on December 30, 2016	-	47,012	47,012

12 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, 11th May, 2017

V. S. Tandel
Chief Financial Officer

P. P. Shedge
Company Secretary

Mumbai, 11th May, 2017

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GARWARE MARINE INDUSTRIES LIMITED

CIN: L12235MH1975PLC018481

Reg. Address: 102, Buildarch Wisteria, 1st Floor, Ram Maruti Road, Dadar (W), Mumbai-400028
Tel: 022 24364024, Email: investorredressal@garwaremarine.com, Website: www.garwaremarine.com

ATTENDANCE SLIP

Folio No. / Client ID & DP ID _____ No of Share(s) held _____

Name of the Member/ Authorised Representative/ Proxy: _____

Registered Address of the Member: _____

I hereby record my/our presence at the 39th Annual General Meeting of the Company, to be held on Thursday, 28th September, 2017 at 11.30 A.M., at "Garware Sabhagriha" F.P.H. Building, 5th Floor, Lala Lajpatrai Marg, Haji Ali, Mumbai – 400034.

Members' / Proxys' name in BLOCK LETTERS

Members' / Proxys' Signature

Please hand it over at the Attendance Verification Counter at the entrance of the Meeting Hall.

Joint holders may obtain additional slips at the entrance of the Meeting Hall.

Please cut here and bring the above ATTENDANCE SLIP to the Meeting Hall.



(TEAR HERE)



GARWARE MARINE INDUSTRIES LIMITED

CIN: L12235MH1975PLC018481

Reg. Address: 102, Buildarch Wisteria, 1st Floor, Ram Maruti Road, Dadar (W), Mumbai-400028
Tel: 022 24364024, Email: investorredressal@garwaremarine.com, Website: www.garwaremarine.com

PROXY FORM

FORM NO MGT 11

(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

1. Name : _____

Address : _____

E-mail Id : _____

Signature : _____, or failing him / her

2. Name : _____

Address : _____

E-mail Id : _____

Signature : _____, or failing him / her

3. Name : _____

Address : _____

E-mail Id : _____

Signature : _____, or failing him / her

As my proxy to attend and vote (on a poll) for me/ us our behalf at the 39th Annual General Meeting of the Company, to be held on **Thursday, 28th September, 2017 at 11.30 A.M.**, at "Garware Sabhagriha" F.P.H. Building, 5th Floor, Lala Lajpatrai Marg, Haji Ali, Mumbai – 400034 and at any adjournment thereof in respect of such resolutions as are indicated below:



(TEAR HERE)



Sr. No.	Resolutions	Optional*	
		For	Against
	Ordinary Business		
1	To consider and adopt the Audited Balance Sheet as at 31 st March, 2017 and Statement of Profit and Loss for the year ended on that date together with the Directors' and Auditors' Report thereon;		
2	To appoint a Director in place of Mrs. Shefali S. Bajaj (DIN:00149511), who retires by rotation and being eligible, offers herself for re-appointment;		
3	To consider and approve appointment of Messrs. D. Kothary & Co., Chartered Accountants (Firm Registration No. 105335W), to hold office from the conclusion of this Annual General Meeting until the conclusion of the 44 th Annual General Meeting of the Company, subject to ratification by members every year;		
	Special Business		
4	Appointment of Mr. Vikas D. Sadarangani (DIN:07657018) as Independent Director;		
5	Re-appointment of Mr. Shyamsunder V. Atre (DIN: 01893024), as Executive Director, for a period of two years with effect from 31 st October, 2016.		

Signed this _____ day of _____, 2017

Signature of shareholder _____

Signature of Proxyholder(s) _____

Affix
Revenue
Stamp
of Re. 1/-

- Note:**
1. This Form of proxy in order to be effective should be duly completed and deposited at the Registered Address of the Company, not less than 48 hours before the commencement of the Meeting.
 2. For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of the 39th Annual General Meeting.
 3. *It is optional to put '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 he/ she thinks appropriate.

BY COURIER

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