



GARWARE MARINE INDUSTRIES LIMITED

**36TH ANNUAL REPORT
2013-14**

**BOARD OF DIRECTORS**

ASHOK GARWARE Chairman upto 30-08-2014	M.A. (Cantab)
ADITYA GARWARE Chairman w.e.f 30-08-2014	M.B.A.
SHEFALI S. BAJAJ Additional Director w.e.f. 05-11-2014	M.B.A.
V. V. DESAI	B.Com., L.L.B., D.A.M.
DR. B. M. SARAIYA	M.B.B.S.
RAJIV KHANNA	B.Com.
S. V. ATRE Executive Director	B.Sc. ENGG., D.M.M.

COMPANY SECRETARY

P. S. NAMBIAR upto 30-08-2014	B.Com, L.L.B., A.C.S, PGDFM
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BANKERS

IDBI BANK LTD.
INDIAN OVERSEAS BANK

AUDITORS

MESSRS. RAMAN S. SHAH & ASSOCIATES
Chartered Accountants

REGISTERED OFFICE

102, Buildarch Wisteria,
1st Floor, Ram Maruti Road,
Dadar (W), Mumbai 400 028

**REGISTRAR & SHARE
TRANSFER AGENT**

Bigshare Services Pvt. Ltd.
E-2/3 Ansa Industrial Estate,
Saki Vihar Road, Sakinaka,
Andheri (E), Mumbai - 400 072.

**36TH ANNUAL REPORT
2013-14**

NOTICE

NOTICE is hereby given that Thirty Sixth Annual General Meeting of the Members of Garware Marine Industries Limited will be held on Friday, 19th December, 2014 at 10.30 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 30th June, 2014 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 Mr. Aditya A. Garware, who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint Messers. Raman S. Shah & Associates, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as ordinary resolution:
"RESOLVED THAT Mrs. Shefali S. Bajaj (DIN : 00149511) in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act 2013 from a member proposing her candidature for the Office of Director be and is hereby appointed as Director of the Company, liable to retire by rotation."
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as ordinary resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Equity Listing Agreement, Dr. B.M. Saraiya (DIN: 00035002) who was appointed as a director, liable to retire by rotation, and who has given a declaration to the board of directors that he meets the criteria of independence as provided under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as ordinary resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Equity Listing Agreement, Mr. V. V. Desai (DIN: 00017629) who was appointed as a director, liable to retire by rotation, and who has given a declaration to the board of directors that he meets the criteria of independence as provided under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years."
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as ordinary resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Equity Listing Agreement, Mr. Rajiv Khanna (DIN: 02855080) who was appointed as a director, liable to retire by rotation, and who has given a declaration to the board of directors that he meets the criteria of independence as provided under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years."
8. To consider and if thought fit, to pass with or without modification(s), the following Resolution as special resolution:
"RESOLVED THAT pursuant to Section 5 and all other applicable provisions, if any, of the Companies Act, 2013, the Articles of Association of the Company shall be in the prescribed Form specified in Table 'F' of Schedule I of the Companies Act, 2013 and the same is being adopted by the Company."
"RESOLVED FURTHER THAT the board of directors of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution".
"RESOLVED FURTHER THAT the Articles of Association of the Company be altered in the following manner.
1] In Article 1 – the words Table "A" be replaced with Table "F". The reference of "the Companies Act, 1956" be replaced with "the Companies Act, 2013".

- 2] In Article 2 the following definitions be altered :
- i] In the definition of "The Act" "The Companies Act, 1956" be replaced with "**The Companies Act, 2013**".
 - ii] In the definition of Annual General Meeting, "Section 166" be replaced with "**Section 96**".
 - iii] In the definition of Year – "Section 2(17)" be replaced with "**Section 2(41)**".
- 3] In Article 3 - "Sections 87 and 88 & 97" be replaced with "**Sections 47 & 64**" respectively.
- 4] In Article 5 - "Section 80" be replaced with "**Section 55**".
- 5] In Article 7(a) – "rate of 11% per annum" be replaced with "**such rate as may be decided by the Board**".
Article 7(d) – "The Preference Shares shall be redeemable at par on the expiry of 10 years" be deleted and replaced with "**The Preference Shares shall be redeemed in accordance with the Provisions of Section 55 of the Companies Act, 2013.**"
- 6] In Article 8 - "Sections 78, 80, 100 to 105" be replaced with "**Sections 52, 55, 66**" respectively.
- 7] In Article 9 - "Section 94" be replaced with "**Section 61**".
- 8] In Article 11 – "Sections 150 and 151" be replaced with "**Section 88**".
- 9] In Article 13 (a) – the words "after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation whichever is earlier" **be deleted**.
In Article 13 (c) - "Section 81(3)" be replaced with "**Section 62 (3)**".
- 10] In Article 14 - "Sections 78 and 79" be replaced with "**Sections 52 and 53**" and "Section 75" be replaced with the words "**applicable provisions of the Act**".
- 11] In Article 15 - "Sections 81, 78 and 79" be replaced with "**Sections 62, 52 and 53**" respectively.
- 12] In Article 19 (d) - "Section 113" be replaced with "**applicable provisions of the Act**".
- 13] In Article 24 - "Section 76" be replaced with "**Section 40(6)**".
- 14] In Article 56 - "Section 111" be replaced with "**Section 58**".
- 15] In Article 66 - "Section 39" be replaced with "**Section 17**" and "**Rupee One**" be replaced with such fees as may be prescribed.
- 16] In Article 67 - "Sections 292 and 293" be replaced with "**Sections 179 and 180**" respectively.
- 17] In Article 70 - "Sections 143, 118, 125 and 127 to 144" be replaced with the words "**applicable provisions of the Act**".
- 18] In Article 71 - "Section 152" be replaced with "**Section 88**".
- 19] In Article 72 - "Sections 114 and 115" be replaced with the words "**applicable provisions of the Act**".
- 20] In Article 86 – "Five Members" be replaced with "**Thirty Members**".
- 21] In Article 87 - "Section 187" be replaced with "**Section 113**".
- 22] In Article 92 – after the words "decided on a show of hands, unless" the words "**voting is carried out electronically under Section 108 of the Act or**" be added. The amount of "Rs.50,000/-" appearing in the clause be replaced with "**Rs.5,00,000/-**" or such amount as may be prescribed under the Act.
- 23] In Article 99 – the words in clause (b) of sub-section(2) of "Section 87" be replaced with "**Section 47**".
- 24] In Article 109 the words "set out in Schedule IX of the Act" be replaced with the words "**applicable provisions of the Act**".
- 25] Article 114 be deleted.
- 26] In Article 115 - "Section 252" be replaced with "**Section 149**".
- 27] In Article 116 - "Section 255" be replaced with "**Section 152**".
- 28] In Article 119 - "Sections 260, 261 and 264" be replaced with "**Sections 161 & 152**" respectively.
- 29] In Article 120 - "Sections 216, 264 and 284(6)" be replaced with "**Sections 134, 152 & 169(7)**" respectively.

- 30] In Article 125 - "Sections 283(2) and 314" be replaced with "**Section 167**".
In Article 125(f) - "Section 203" be replaced with the words "**applicable provisions of the Act**".
In Article 125(g) - "Section 284" be replaced with "**Section 169**".
In Article 125(h) - "Section 295" be replaced with "**Section 185**".
In Article 125(i) - "Section 299" be replaced with "**Section 184**".
- 31] In Article 126(1) - "Section 297" be replaced with "**Section 188**".
- 32] In Article 126(2)(b) - "the amounts of Rs.5,000/- wherever appearing" be replaced with "**such amounts as may be prescribed under the Act**".
- 33] In Article 127 - "Section 299(2)" be replaced with "**Section 184**".
- 34] In Article 130 - "Sections 301(1) and Section 301(2), 297 or 299" be replaced with "**Sections 189, 188 & 184**" respectively.
- 35] In Article 131 - "Sections 309(6) or Section 314" be replaced with "**Section 197(14)**".
- 36] In Article 133- "Section 256(2)" be replaced with "**Section 152**".
- 37] In Article 135 - "Sections 258 and 261" be replaced with the words "**applicable provisions of the Act**".
- 38] In Article 136(b)(v) - "sub-section (2) of Section 263" be replaced with the words "**applicable provisions of the Act**".
- 39] In Article 137 - "Section 259" be replaced with the words "**applicable provisions of the Act**".
- 40] In Article 138(1) - "the amount of Rs.500/-" be replaced with the words "**applicable provisions of the Act**". At the end of the clause, the following words be added "**or 25% of total votes cast in favour of such resolution**".
In Article 138(2) - "Section 257" be replaced with "**Section 160**".
In Article 138(3) - "Section 262" be replaced with "**Section 161**".
- 41] In Article 139(a) - "Section 303" be replaced with "**Section 170**".
In Article 139(b) - "Section 307" be replaced with "**Section 170**".
- 42] In Article 140(a) - "wherever the words sub-section (1) of Section 303 appearing" be replaced with "**Section 170**".
In Article 140(b) - "sub-section (10) of Section 307" be replaced with "**Section 170**".
- 43] In Article 147 - "Section 287" be replaced with "**Section 174**".
- 44] Article 150 – **be deleted**.
- 45] In Article 153 & 158(d)- "Section 292" be replaced with "**Section 179**".
In Article 158(e) – the words "exceed twenty-five thousand rupees or five per cent of its average net profits as determined. In accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding, whichever is greater" **be deleted and replaced** with the words "**applicable provisions of the Act**".
- 46] In Article 159(2) - "Section 76" be replaced with "**Section 40(6)**" and "Section 208" be replaced with the words "**applicable provisions of the Act**".
- 47] In Article 159(3) - "Sections 292, 297 & 360" be replaced with "**Sections 179 & 188**" respectively.
- 48] In Article 159(11) - "Sections 292, 295, 369, 370 and 372" be replaced with "**Sections 179 and 185**" "Section 49" be replaced with "**applicable provisions of the Act**".
- 49] In Article 159(20) - "Section 292" be replaced with "**Section 179**".
- 50] In Article 159(22) - "Sections 292 and 297" be replaced with "**Sections 179 & 188**" respectively.
- 51] In Article 162(b) – "Section 50" be replaced with the words "**applicable provisions of the Act**".
- 52] In Article 166 & 173A(a)(b) - "Section 205" be replaced with "**Section 123**".
- 53] In Article 173(b) – "Keep in abeyance in relation to such shares any offer of rights shares under clause of sub-section (1) of Section 81 of the Act and any issue of fully paid up bonus shares in pursuance of sub-section (3) of Section 205 of the Act" be replaced with "**Sections 62 & 123**" respectively.



- 54] In Article 175 - "Section 205A" be replaced with "**Section 123**".
- 55] In Article 177(c) "Section 75" be replaced with the words "**applicable provisions of the Act**".
- 56] In Article 178 - "Section 209" be replaced with "**Section 128**".
- 57] In Article 180 - "Sections 210, 211, 212, 215, 216 and 217" be replaced with "**Sections 129 & 134**" respectively.
- 58] In Article 181 - "Section 219" be replaced with "**Section 136**".
- 59] In Article 182 - "Sections 224 to 233" be replaced with "**Sections 139 to 147**" respectively.

By Order of the Board

**S. V. ATRE
EXECUTIVE DIRECTOR**

Registered Office:

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

CIN: L12235MH1975PLC018481

Date : 05th November, 2014

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.
2. The Register of Members and Share Transfer books of the Company will remain closed from Friday, 12th December, 2014 to Friday, 19th December, 2014 (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 the change in Bank details, address, if any, immediately, quoting their Client ID No. / Folio No., Number of Shares held, etc. to the Company's Share Transfer Agents, 'M/s Bigshare Services Pvt. Ltd.'
5. Members holding shares in identical order of names in more than one folio(s) are requested to write to the Company's Registered Office and / or Share Transfer Agent, and send their Share Certificates to enable Consolidation of their holding into one Folio.
6. All enquiries and correspondence regarding Transfer/Transmission of Shares, Dematerialisation, etc. should be addressed to Registrars and Share Transfer Agents of the Company, M/s Bigshare Services Pvt. Ltd., E-2/3 Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400 072.
7. Pursuant to Section 103 of the Companies Act, 2013 atleast thirty members should be personally present to form quorum for a meeting of the Company.
8. The businesses as set out in this AGM Notice may be transacted through electronic voting system and the Company will provide a facility for voting by electronic means. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its members to enable them to cast their votes electronically instead of casting their vote at the Meeting. Please note that the voting through electronic means is optional. The members who wish to vote physically in the meeting (instead of e-voting) can do the same by voting in the meeting dated December 19, 2014.
9. The voting through an electronic means will commence on 12.12.2014, at 10.00 a.m. and will end on 15.12.2014, at 5.00 p.m. The members will not be able to cast their vote electronically beyond the date and time mentioned above.

10. The Company has appointed Mr. S.M. Korde, Practicing Company Secretary, to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
11. The procedure and instructions for the voting through electronic means is as follows:
 - i. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
 - ii. Then click on "Shareholders" tab to cast your votes.
 - iii. Then select the Electronic Voting Sequence Number - "EVSN" alongwith "Garware Marine Industries Limited" from the drop down menu and click on "SUBMIT"
 - iv. 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,
 - v. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - vi. Enter the Image Verification as displayed and Click on Login.
 - vii. 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 folio/client id number in the PAN field. • In case the folio 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. Eg. If your name is Ramesh Kumar with folio 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. <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 number of shares in the Dividend Bank details field.

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in Demat form will then reach the Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password is to be also used by the Demat holders for voting for resolution 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.
- x. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting system in future. The same may be used in case the member forgets the password and the same needs to be reset.
- xi. For members holding shares in Demat form who had logged on to www.evotingindia.com and cast their vote earlier for [EVSN] of any company, your existing login id and password are to be used.
- xii. On the voting page, you will see Resolution Description and against the same the option 'YES/NO' for voting. Enter the number of shares (which represents number of votes) under YES/NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding.
- xiii. Click on the Resolution File Link if you wish to view the entire Resolution details.
- xiv. 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.



- xv. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

Institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter, etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at www.evoting.com with a copy marked to [helpdesk.evoting@cdslindia.com]

In case you have any queries or issues regarding e-voting, please contact helpdesk.evoting@cdslindia.com.

12. 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.
13. Kindly note that the members can opt for only one mode of voting i.e. either by physical voting or e-voting. If you are opting for e-voting, then do not vote by physical voting also and vice versa. However, in case member has voted both in physical as well as e-voting, then voting done through valid physical voting shall prevail and voting done by e-voting will be treated as invalid.
14. The scrutinizer will submit his report addressed to the Chairman and the result of the e-voting and voting on the Resolutions at the Meeting shall be announced by the Chairman on 19th December, 2014. The results declared alongwith the Scrutinizer's report, will be posted on the Company's website and stock exchange on 20th December, 2014.

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

Name of Director	A. A. Garware	Dr. Bhupendra Maneklal Saraiya	Mr. Vikas Vishwanath Desai	Mrs. Shefali S. Bajaj	Mr. Rajiv Shivkumar Khanna
Date of Birth	11.02.1971	08.06.1944	15.11.1958	08.03.1969	04.01.1972
Age	43	70	55	45	42
Nationality	Indian	Indian	Indian	Indian	Indian
Date of Appointment on Board	24.05.1993	18.10.2001	12.07.1999	05.11.2014	07.09.2009
Qualifications	M.B.A.	M.B.B.S.	B.Com, L.L.B., D.A.M.	M.B.A.	B.Com
Expertise in Functional Area	Industrialist	Senior General Practitioner. He is also the Architect of Claim Processing in start-up of Third Party Insurance	Administrative, Marketing & Manufacturing	General Administration	Industrialist, Manufacturer of technical textiles supplied to mass transport organizations. He has vast experience of 16 years. Mr. Khanna is also actively involved in the field of Financial Investments.
No. of Shares held in the Company (As on 30.06.2014)	1,78,225 3.09%	100	100	74,200 (as on 05.11.2014)	100

GARWARE MARINE INDUSTRIES LIMITED

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List of Directorships held in other Companies	<ul style="list-style-type: none"> • Adsu Trading & Investment Co, Pvt. Ltd. • Garware Goa Nets Ltd. • Garware Offshore International Services Pte. Ltd. • Global Offshore Services Ltd. • Global Offshore Services B.V. • Indian National Shipowners' Association • Masu Trading & Investment Co. Pvt. Ltd. • Mauve Trading & Investment Co. Pvt. Ltd. • Shesu Trading & Investment Co. Pvt. Ltd. • Universal Investment Services Pvt. Ltd. 	NIL	<ol style="list-style-type: none"> 1. Nirantan Bio-tech Private Limited 2. Shree Eco Energies Enviro Private Limited 	Shesu Trading & Investments Co. Pvt. Ltd.	NIL
Chairman/Member of Committee of the Board of other Companies in which he is a Director	ONE	NIL	NIL	NIL	NIL

REQUEST TO THE MEMBERS:

1. Members seeking any information on the Accounts at the Annual General Meeting are requested to write to the Company at least ten (10) working days in advance of the Annual General Meeting so as to enable the Company to keep the information ready. Only the information which can be furnished will be given to the Members.
2. Members are requested to bring their Copy of the Annual Report to the Meeting.

By Order of the Board

**S. V. ATRE
EXECUTIVE DIRECTOR**

Registered Office:

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

CIN: L12235MH1975PLC018481

Date : 05th November, 2014

Place: Mumbai



ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 ("the Act") in respect of Item Nos. 4 to 6

The following statement sets all material facts relating to the Special Business mentioned in the accompanying notice.

Item No.4

The Board of Directors at its meeting held on 05.11.2014 appointed Mrs. Shefali S. Bajaj as additional Director who shall hold office till the date of ensuing Annual General Meeting. Mrs. Bajaj has a Master degree in Business and was actively involved with the running of the Company in the past. In the opinion of the Board, her appointment will be beneficial to the Company.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director of the Company.

Mrs. Shefali S. Bajaj is not disqualified from being appointed in terms of the provisions of the Companies Act, 2013 and has given her consent to act as Director.

Mrs. Shefali S. Bajaj herself is deemed to be concerned or interested to the extent of the Shares held by her. Mr. Aditya A. Garware being relative and Chairman of the Company is interested in the Resolution set out at Item No.4. None of the other Directors / Key Management Persons / their relatives are in anyway concerned or interested in the Resolution set out in Item No.4 of the Notice.

Item Nos. 5 to 7

As you may be aware, the Ministry of Corporate Affairs has notified Section 149 of the Companies Act, 2013 w.e.f 1st April, 2014, which provides that the independent directors be appointed for upto a period of 5 years. Accordingly, to comply with the provisions of this Act, it is proposed to appoint the following Directors as Independent Directors w.e.f. 1st April, 2014.

1. Dr. B. M. Saraiya
2. Mr. V. V. Desai
3. Mr. Rajiv Khanna

Except for sitting fees, the aforesaid directors will not be entitled to any remuneration and shall perform their duties as prescribed under the Companies Act, 2013.

Consent to act as director in Form DIR-8 has been obtained and these directors have declared that, they stand free from any disqualification from being a Director.

Except the aforementioned directors themselves, none of the directors and key managerial personnel and their relatives is in any way are interested or concerned in passing the above referred resolution.

Item No. 8

With the introduction of Companies Act, 2013 all listed public limited companies limited by shares need to adopt Table 'F' of the Companies Act, 2013.

To comply with the above provisions, it is proposed to adopt Table 'F' as the Articles of Association of the Company.

The shareholders approval is required to adopt Table 'F' and authorise the board of directors to give effect to this and amend the Articles of Association of the Company accordingly.

None of the directors and key managerial personnel and their relatives is in any way are interested or concerned in passing the aforesaid resolution.

Copies of memorandum of association and articles of association of the Company is available for inspection to the Members on any working day between 11.00 A.M. to 1.00 P.M. till the conclusion of Annual General Meeting.

By Order of the Board

**S. V. ATRE
EXECUTIVE DIRECTOR**

Registered Office:

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

CIN: L12235MH1975PLC018481

Date : 05th November, 2014

Place: Mumbai

DIRECTORS' REPORT
FOR THE YEAR ENDED 30TH JUNE, 2014

TO,
THE MEMBERS

1. FINANCIAL RESULTS :

	Rs. in Lacs	
	Year ended 30 th June 14	Year ended 30 th June 13
Income from Operations (including Other Income)	566.43	985.67
Less: Expenses	896.73	951.26
Profit before Interest, Depreciation & Tax	(330.30)	34.41
Less: Interest & Finance Charges	10.17	13.38
Profit before Depreciation & Tax	(340.47)	21.03
Less: Depreciation & Amortization	1.63	33.75
Provision for Tax	(13.11)	0.00
Net Profit for the year	(328.99)	(12.72)

2. DIVIDEND:

In view of the loss during the year under review, the Board of Directors have not recommended any dividend for the year 2013-14.

3. OPERATIONS:

During the year under review, the lay-off declared in the previous year effective 22nd April, 2013 continued till 26th December, 2013. Pursuant to the authority given to the Board by the Members through a Special Resolution passed u/s 180(1) (a) of the Companies Act 2013, Plant of the Company situated at E-10, MIDC Industrial Area, Ahmednagar – 414001 (Maharashtra) were disposed off. All the workmen and staff at Ahmednagar have been fully compensated under the severance scheme and have exited the Company.

During the year, Company could generate Rs.130.26 Lakhs from repair activity.

4. FUTURE OUTLOOK:

The Repair Division, continues profitably and is expected to continue doing so. The Company is in the process of consolidation and will explore the possibilities of new business upon consolidation.

5. RESPONSIBILITY STATEMENT:

The Directors confirm:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures (save and except as stated in the Directors' Report) have been made from the same;
- b) That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the year and the loss of the Company for that year ended as on 30th June 2014;
- c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provision of the Companies Act 1956, for safe-guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That they have prepared the Annual Accounts on a going concern basis.

6. LISTING FEES TO STOCK EXCHANGES:

The Company has paid the Listing Fees for the year 2014-15 to Bombay Stock Exchange Limited where the Shares of the Company are listed.



7. FIXED DEPOSITS:

During the period under review, the Company has not accepted any deposit from public and shareholders.

8. DIRECTORS:

Mr. A. B. Garware – Director, resigned from the Board w.e.f. 30.08.2014. The Board places on record its appreciation for the valuable guidance and contribution made by him during his tenure as Director. Consequent to his resignation Mr. Aditya A. Garware has been appointed as Chairman of the Board of Directors w.e.f. 30.08.2014.

Mrs. Shefali S. Bajaj is appointed as Additional Director on 05.11.2014 and holds office till the date of ensuring Annual General Meeting. Notice from a member proposing her candidature for the office of Director has been received by the Company.

Mr. Aditya A. Garware, Director of the Company is liable to retire by rotation and being eligible, offers himself for re-appointment.

In order to comply with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered with BSE Ltd., Mr. Mr. V. V. Desai, Dr. B. M. Saraiya and Mr. Rajiv S. Khanna are proposed to be appointed as Independent Directors for a term of 5 (five) consecutive years from the date of ensuing Annual General Meeting.

Members are requested to appoint them.

9. AUDITORS & AUDITORS' REPORT:

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

The Company has obtained a Eligibility Certificate from Auditors certifying that their re-appointment, if made at the ensuing Annual General Meeting shall be within the limits prescribed under Section 141 of the Companies Act, 2013.

With regard to Auditors' Report, the Notes to the Accounts are self explanatory.

10. PERSONNEL:

The relations with Employees continue to be cordial. The Company would like to record its appreciation to Mr. S. V. Atre, Executive Director who was solely responsible for ensuring that the scheme of severance of employees was successful.

The Company did not have any Employee falling within the purview of Section 217(2A) of the Companies Act 1956.

11. CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

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

As required under Rule 2 of The Companies (Disclosure of particulars in the Report of Board of Directors), Rules, 1988, the particulars relating to conservation of Energy, Technology Absorption, Foreign Exchange Outgo / Earnings, etc. are given in Form A & B in Annexure 1 of the Report.

13. ACKNOWLEDGEMENT:

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

On Behalf of the Board

ADITYA A. GARWARE
Chairman

Date : 05th November, 2014

Place: Mumbai

ANNEXURE 1 TO DIRECTORS' REPORT

FORM – A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

		Current Year 01.07.2013 to 30.06.2014	Previous Year 01.07.2012 to 30.06.2013
A. POWER AND FUEL CONSUMPTION:			
FISH KNITTED FABRICS/TWINE			
Electricity			
(a) Purchased Units (in Kwh)		59,036	3,37,235
Total Amount(Rs.)		6,43,663	27,03,672
Rate Per Unit (Rs.) (Avg.)		10.90	8.02
(b) Own Generation			
I) H.S.D.			
Purchased Units (in ltrs)		----	11,416
Total Amount (Rs.)		----	5,73,000
Cost per litre(Rs.)(Avg.)		----	50.19
	Standard, (if any)	01.07.2013 to 30.06.2014	01.07.2012 to 30.06.2013
B. COST PER UNIT(KG.) OF PRODUCTION:			
FISH KNITTED FABRICS			
Electricity (Rs.)	N.A.	----	18.42
H.S.D.(Rs.)	N.A.	----	3.90

CONSERVATION OF ENERGY DURING THE YEAR UNDER REVIEW:

- Wherever possible, energy conservation measures have been implemented : Not Applicable.
- Additional investment and proposals, if any, being implemented for reduction of consumption of energy : Not Applicable.
- Impact of measures at (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods: Not Applicable.

FORM – B

FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION OF TECHNOLOGY:

RESEARCH AND DEVELOPMENT (R&D)

- Specific areas in which R & D carried out by the Company: N.A.
- Benefits derived as a result of the above R & D: N.A.
- Further plan of action: N.A.
- Expenditure on R & D: N.A.

TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION:

- Efforts in brief made towards Technology Absorption, Adaption and Innovation: N.A.
- Benefits derived as a result of the above efforts: N.A.
- Information regarding technology imported during the last 5 years reckoned from the beginning of the financial year: N.A.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total foreign exchange earned - NIL
Total foreign exchange used - NIL

On Behalf of the Board

ADITYA A. GARWARE
Chairman

Date : 05th November, 2014

Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC SCENARIO IN FY 2013-14:

Growth of gross domestic product (GDP) at factor cost at constant 2004-05 prices declined from 8.9 per cent in 2010-11 to 6.7 per cent in 2011-12 and further to 4.5 per cent in 2012-13. Among the factors that contributed to the slowdown included structural constraints viz. delays in projects, bottlenecks in environmental approvals and land acquisition, elevated inflation and external imbalances, in addition to uncertain global economic situation. There was a marginal improvement in 2013-14 with GDP growing at 4.7 per cent. The phase of sub 5 per cent growth in the last two years is characterized by a moderation in services growth and a protracted slowdown in industry. Higher growth in agriculture on the back of a steady monsoon and robust growth in financial and business services helped the modest uptick in growth in 2013-14.

Macroeconomic stabilization in 2013-14 had to balance the concerns of containing elevated inflation and promoting growth. It also involved managing a volatile external situation characterized by a sharp depreciation of the Rupee witnessed till the second quarter (Q2) of 2013-14. While the balance of payment situation has improved to an extent, achieving higher growth by raising investment level and price stability along with fiscal consolidation will be major priority areas in 2014-15. The turnaround in the external situation (characterized by a decline in the current account deficit to 1.7 per cent of GDP in 2013-14 from 4.7 per cent in 2012-13 and gradual strengthening of the Rupee in the second half of 2013-14) and improvement on the fiscal front (with the fiscal deficit to GDP ratio declining from 4.9 percent of GDP in 2012-13 to 4.5 per cent in 2013-14) augur well for macroeconomic stabilization. During 2013-14, the monetary policy stance of the RBI was driven by the imperatives of keeping inflation in check and supporting growth revival while managing a complex external economic situation. With moderation in overall headline inflation, as per the Wholesale Price Index (WPI), during 2012-13 and during the first two quarters of 2013-14, there was a reduction in the repo rate by 25 basis points in May 2013. On the face of growing uncertainties in global financial conditions, monetary easing was paused in June 2013 and subsequently tightened to contain inflation. Headline WPI inflation averaged 5.98 per cent during 2013-14 as compared to 7.35 per cent in the previous year. In the Second Bi –monthly Monetary Policy Statement 2014-15 (June, 2014), the RBI, inter-alia, kept the policy repo rate under the Liquidity Adjustment Facility (LAF) unchanged at 8 per cent.

As per the provisional estimates released by the Central Statistics Office (CSO), the Indian economy grew at 4.7 per cent in 2013-14 (in terms of GDP at factor cost at 2004-05 prices). The sub-5 per cent growth of the economy in 2013-14 was primarily the result of the slowdown in industry for the second year in succession, that registered a growth rate of 0.4 per cent in 2013-14, and significantly lower growth in the 'trade, hotels, transport and communications' segment of the services sector. On the other hand sectors, viz. agriculture, electricity, gas & water supply, financial, insurance, real estate & business services have grown at faster rates in 2013-14 vis-à-vis 2012-13.

As per the quarterly estimates of GDP, growth in GDP recorded a modest pick-up in Q2 2013-14 with a growth of 5.2 per cent, compared to 4.7 per cent in Q1 2013-14. This declined to 4.6 per cent each in Q3 and Q4 of 2013-14. The contraction in manufacturing, noticed in all quarters, except Q2 of 2013-14, remains a cause for concern. On the demand (expenditure) side, GDP at constant (2004-05) market prices registered a growth of 5.0 per cent in 2013-14 as against a growth of 4.7 per cent in 2012-13. The growth of consumption expenditure, gross fixed capital formation and exports stood at 4.8 per cent, (-) 0.1 per cent and 8.4 per cent respectively, in real terms, during 2013-14. The growth in these components was 5.0 per cent, 0.8 per cent and 5.0 per cent respectively in 2012-13. As per the First Revised Estimates released by the Central Statistics Office, gross domestic capital formation as a ratio of GDP at current market prices (investment rate) was 34.8 per cent in 2012-13 as against 35.5 per cent in 2011-12, while gross domestic savings as a ratio of GDP at current market prices (savings rate) declined from 31.3 per cent in 2011-12 to 30.1 per cent in 2012-13. The decline in the latter was primarily led by a reduction in savings of the private corporate sector and household savings in physical assets.

INDUSTRIAL STRUCTURE & DEVELOPMENT:

As you know during last fiscal your Company had declared a lay-off at the factory w.e.f. 22nd April 2013. This lay-off continued during part of this fiscal and in March, 2014, Members through a Special Resolution passed u/s 180(1) (a) of the Companies Act 2013 authorised the Board to sell / dispose off its Plant at Ahmednagar, Maharashtra.

Your Company continued its operation through its Ship Repair Division.

OPPORTUNITIES:

The Company's repair division continues to do well and we expect to continue in this field in years to come.

THREATS:

The main threat that the Company faces is from the other repair workshops who with the help of "contract labour" try to reduce tariffs for repairs of vessels. However, the Company has been able to provide repair services at most competitive rates till date.

OUTLOOK:

Our Repair division is expected to run efficiently with minimum fixed overheads as we do not maintain factory / plant for the same. Your Company has successfully repaid most of its payables and is now almost a debt free Company.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

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

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:

The Company has successfully cleared the severance dues of all its employees / workers. All workmen in the factory, employees in depot have accepted the severance package.

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.

GENERAL:

For the year 2011-12, 2012-2013 and 2013-2014 the Fishing Industry witnessed sharp decline in catches. The world fish population has been decreasing @ the rate of 2% and in the Indian coasts by 3% for the past 4/5 years. In India the fishing production has dropped by 50%.

In addition severe overfishing has added to the woes of this Industry. The fishing experts views can be seen in the reports published in the papers recently.

The future seems to be deep sea fishing wherein different infrastructure is called for.

As a result of the aforesaid factors, the Company executed its severance package for all the employees at the factory and the depots.



REPORT ON CORPORATE GOVERNANCE

1. BOARD OF DIRECTORS:

The Board of Company comprises of Six (6) Professionally Well-Qualified Members. Mr. Ashok B. Garware is the Chairman and Mr. Aditya A. Garware is the Vice Chairman. Mr. S.V. Atre is the Executive Director of the Company.

During the financial year under review, 5 Board Meetings were held as detailed below and the maximum time gap between two Board Meetings did not exceed 4 months:

Date of Board Meetings

1. 8th July, 2013 2. 29th August, 2013 3. 12th November, 2013 4. 30th January, 2014 5. 8th May, 2014

Name of Directors	No. of Board Meetings Attended	Attendance at last AGM	Remarks	No. of Other Committee Directorship		No. of other Directorships
				Chairman	Member	
Mr. Ashok B. Garware (Chairman*)	5	Yes	Director- Promoter	1	1	8
Mr. Aditya A. Garware (Chairman**)	5	Yes	Director- Promoter	-	1	10
Mr. V. V. Desai	4	Yes	Independent Director	-	-	2
Dr. B. M. Saraiya	4	Yes	Independent Director	-	-	-
Mr. Rajiv S. Khanna	4	Yes	Independent Director	-	-	-
Mr. S. V. Atre	5	Yes	Executive Director	-	-	1

* Resigned w.e.f. 30.08.2014 ** Appointed as Chairman w.e.f. 30-08-2014

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

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

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

Details of the remuneration paid to Mr. S.V. Atre, Executive Director during the year under review is:

Sr.No.	Particulars		Amount (Rs.)
1.	Salary	:	10,20,744
2.	Leave Travel Allowance	:	66,000
3.	Medical Allowance	:	66,000
4.	Bonus/Ex-gratia	:	31,680
5.	Leave Encashment	:	1,61,000
	Total	:	13,45,424

2. AUDIT COMMITTEE:

Composition:

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

The Company Secretary acts as a Secretary to the Committee.

Terms of Reference:

The Committee is involved in reviewing various matters including Audited/Un-audited Financial Results for the year/quarter of the Company, Investments made by the Company, Compliance with Listing Agreement, Approval of Management Discussion and Analysis Report, discussion / implementation of Accounting Standards and other requirements relating to Financial Statements, recommending the appointment and removal of Auditors, fixation of Audit Fees, etc.

Meetings:

Four Audit Committee Meetings were held during the Financial Year 2013-2014 as detailed herein below:

Date of Audit Committee Meetings	Name of the Members of Audit Committee & Attendance		
	Dr. B. M. Saraiya (Chairman)	Mr. Aditya A. Garware	Mr. V. V. Desai
29 th August, 2013	✓	✓	✓
12 th November, 2013	✓	✓	✓
30 th January, 2014	✓	✓	x
8 th May 2014	✓	✓	✓

3. SHARE TRANSFER & GRIEVANCE COMMITTEE:

Composition:

The Share Transfer Cum Investor Grievance Committee consists of three (3) members' viz. Mr. Aditya Garware, Dr. B.M. Saraiya and Mr. S.V. Atre.

Meetings:

The Committee meets once a fortnight to approve, inter alia, transfer/transmission of shares, issue of duplicate shares and consolidation of shares. The Committee also reviews the status of investor grievances and the Company's redressal mechanism and recommends measures to improve the quality of services to investor.

The Company Secretary acts as a Compliance Officer.

Terms of Reference:

The Committee inter alia, approves issue of Duplicate Share Certificates and also reviews matters connected with transfer of Securities including redressal of Investors' /Shareholders' complaints related to non-receipt of declared dividend, transfer of shares, non-receipt of Annual Reports, non receipt of duplicate share certificates.

14 complaints were received during the year. All of them were resolved and there were no pending complaints at the end of the year.

4. GENERAL BODY MEETINGS:

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

Financial Year	Date	Time	Location
2012-13 35 th AGM	15 th November, 2013	9:30 A.M.	"Garware Sabhagriha", 5 th Floor, F.P.H. Building, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034
2011-12 34 th AGM	28 th December 2012	9:30 A.M.	"Garware Sabhagriha", 5 th Floor, F.P.H. Building, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034
2010-11 33 rd AGM	29 th December 2011	9:30 A.M.	"Garware Sabhagriha", 5 th Floor, F.P.H. Building, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034

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

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

Financial Year	Items for Special Resolutions passed
2012-13	: No Special Resolution was passed
2011-12	: No Special Resolution was passed
2010-11	: No Special Resolution was passed

Postal Ballot:

A Special Resolution was passed u/s 180(1) (a) of the Companies Act 2013 to sell or otherwise dispose of the whole or substantially the whole of the undertaking of the Company situated at E-10, MIDC Industrial Area, Ahmednagar – 414001 (Maharashtra).

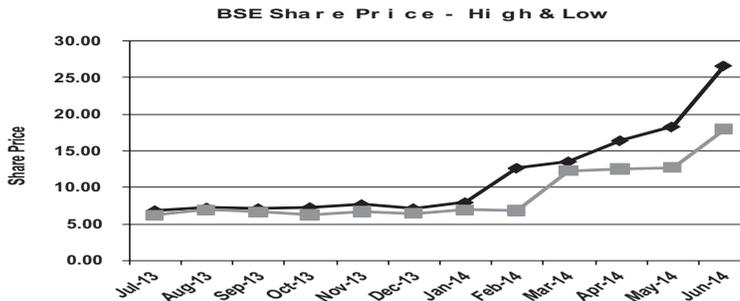
5. DISCLOSURE:

There were no related Party Transactions, which had potential conflict with the interest of the Company at large.



6. HIGH AND LOW OF THE SHARE PRICE ON THE BOMBAY STOCK EXCHANGE LTD. FOR THE YEAR ENDED 30TH JUNE, 2014:

Month	BSE	
	HIGH	LOW
July 2013	6.82	6.18
August 2013	7.20	6.90
September 2013	7.10	6.60
October 2013	7.24	6.22
November 2013	7.65	6.68
December 2013	7.10	6.40
January 2014	7.92	6.87
February 2014	12.65	6.80
March 2014	13.52	12.26
April 2014	16.41	12.50
May 2014	18.30	12.70
June 2014	26.65	17.95



	Jul 2013	Aug 2013	Sep 2013	Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	Apr 2014	May 2014	Jun 2014
High	6.82	7.20	7.10	7.24	7.65	7.10	7.92	12.65	13.52	16.41	18.30	26.65
Low	6.18	6.90	6.60	6.22	6.68	6.40	6.87	6.80	12.26	12.50	12.70	17.95

7. GENERAL SHAREHOLDER INFORMATION:

36th Annual General Meeting:		
Date :	19 th December 2014	
Time :	10:30 A.M.	
Venue :	Garware Sabhagriha", F.P.H. Building, 5 th Floor, Lala Lajpatrai Marg, Haji Ali, Mumbai – 400034.	
Financial Year	The Company follows July-June as its financial year till 2013-2014. In compliance of provisions of the Companies Act, 2013, the next financial year will be for 9 months i.e. from 1 st July 2014 to 31 st March, 2015. The Un-audited result for every quarter is declared within 45 days from the last day of each quarter.	
	Financial Year	1 st July 2014 to 31 st March, 2015
	Un-audited Financial Result for the 1 st Quarter ending 30 th September 2014.	Within 45 days from the last day of the quarter.
	Un-audited Financial Result for the 2 nd Quarter ending 31 st December 2014.	Within 45 days from the last day of the quarter.
	Audited Financial Result for the last Quarter ending 31 st March 2015.	Within 60 days from the last day of the quarter.
	Annual General Meeting for the Year ending 31 st March, 2015.	Before the end of September 2015.
Date of Book Closure/Record Date	For 2013-2014:	Friday, 12 th December 2014, to Friday, 19 th November 2014, (both days inclusive)

GARWARE MARINE INDUSTRIES LIMITED

36th Annual Report 2013-14

Dividend Payment Date	N.A.
Listing on Stock Exchanges	The Company's shares are presently listed on the Bombay Stock Exchange Limited (BSE)
Stock Code	509563
ISIN Number	INE 925D01014
Registrar and Transfer Agents	Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai – 400 072 Tel : 022 – 4043 0200 / 2847 0652 / 2847 0652 Fax 022- 2847 5207 E-mail : investor@bigshareonline.com
Auditors' Certificate on Corporate Governance	As required under the provisions of Clause 49 of the Listing Agreement, the Auditors' Certificate is given as an annexure to the Directors' Report.
Distribution of Shareholding & Category-wise distribution	Please Refer Annexure A
Dematerialisation of shares and liquidity	As on 30 th June 2014, 84.75% of total paid up Equity Capital has been dematerialised
Publication of the Quarterly Un-audited Financial Results in	English - Free Press Journal Marathi - Navshakti Website : www.garwaremarine.com
GDRS / ADRS	Not Applicable
Address for Correspondence	Garware Marine Industries Ltd. 102, Buildarch Wisteria, 1 st Floor, Ram Maruti Road, Dadar (W), Mumbai-400028 Tel.No. 22-2436 4024 Fax No. 22-2436 2764 E-mail : investorredressal@garwaremarine.com
Plant Location	N. A.

8. CODE OF CONDUCT:

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

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

9. CEO/CFO CERTIFICATION:

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

On Behalf of the Board

ASHOK GARWARE

Chairman

Date : 30th August, 2014

Place: Mumbai

ANNEXURE "A"

THE DISTRIBUTION OF EQUITY SHAREHOLDING AS ON 30TH JUNE, 2014 IS AS FOLLOWS:

Share holding of Nominal Value of			Share Holder		Share Amount	
(Rs.)	(1)	(Rs.)	Number (2)	% to Total (3)	In Rs. (4)	% to Total Amount (5)
1	to	500	9389	93.91	1,17,07,210/-	20.31
5001	to	10000	352	3.52	27,58,880/-	4.78
10001	to	20000	114	1.14	16,44,820/-	2.85
20001	to	30000	43	0.43	11,05,730/-	1.92
30001	to	40000	11	0.11	4,04,250/-	0.70
40001	to	50000	23	0.23	10,70,210/-	1.86
50001	to	100000	18	0.18	14,20,940/-	2.46
100001	to	999999	48	0.48	3,75,49,800/-	65.12
TOTAL			9998	100.00	5,76,61,840/-	100.00



SHAREHOLDING PATTERN AS ON 30TH JUNE, 2014 IS AS FOLLOWS:

SI. No.	Category	No. of Shares Held	% of Total Paid up Capital
A)	Promoters Holding		
	• Individuals/HUFs	11,37,753	19.73
	• Bodies Corporates (Holding Co./Subsidiaries & Affiliates)	10,14,683	17.60
	• Foreign Promoters/Bodies Corporates	-	-
	Total – Promoter Holding	21,52,436	37.33
B)	Non-Promoters Holding		
	1. Institutional Investors :	100	0.00
	a. UTI/Mutual Fund	325	0.00
	b. Financial Institution/Banks	-	-
	c. State Government		
	Sub Total	425	0.00
	2. Foreign Holding :		
	a. FII's	-	-
	b. NRIs	10,264	0.18
	Sub Total	10,264	0.18
	3. Other Bodies Corporates	4,37,817	7.59
	4. Indian Public	30,17,790	52.34
	5. Others-Trusts	1,47,452	2.56
	Total – Non Promoter Holding	36,13,748	62.67
	Grand Total	57,66,184	100.00

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

To,
The Members,

Garware Marine Industries Limited

We have examined the compliance of the conditions of Corporate Governance by Garware Marine Industries Limited (the Company) for the year ended 30th June, 2014 with the relevant Records and Documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

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

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

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

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

For RAMAN S. SHAH & ASSOCIATES
Chartered Accountants

SANTOSH A. SANKHE
Partner
M.No.100976

Date : 30th August 2014

Place: Mumbai

AUDITORS' REPORT

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

1. We have audited the attached Balance Sheet of **M/S. GARWARE MARINE INDUSTRIES LIMITED** as at 30th JUNE, 2014 and also the Profit and Loss Account for the year ended on that date and Cash Flow statement annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:-
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and with the audited returns from the branches.
 - (d) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (e) On the basis of written representations received from the directors, as on 30th JUNE, 2014 and taken on record by the Board of Directors we report that none of the directors is disqualified as on 30th JUNE, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, and *subject to Note No.22(7) regarding to non-provision for diminution in the value of shares and amount recoverable from GARWARE NYLONS LTD.*, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 30th JUNE, 2014 and
 - (ii) In the case of the Profit and Loss Account, of the loss for the year ended on date.

For RAMAN S. SHAH & ASSOCIATES

Chartered Accountants
Firm Reg. No. 119891W

SANTOSH A. SANKHE

Partner
M.No.100976

Place : Mumbai
Date : 30th August, 2014

ANNEXURE TO AUDITORS' REPORT

REFERRED TO IN PARAGRAPH OF OUR REPORT OF EVEN DATE

- 1 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 periodical 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.
- c. In our opinion, even though the Company has disposed of substantial part of fixed assets of manufacturing division at Ahmednagar during the year, the going concern status of the Company is not affected due to the continuation of repairing and maintenance activities.
- 2 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 were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- 3 a. We are informed that the Company has not taken unsecured loans, from companies, listed in the register maintained under Section 301 of the Companies Act, 1956 on terms and conditions which are prejudicial to the interest of the Company.
- b. The Company has not granted any loan, secured or unsecured to companies, firms, other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- 4 In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods & services. During the course of our audit, we have not observed any major weaknesses in internal controls.
- 5 a. In our opinion and according to the information and explanations given to us the transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956, have been so entered.
- b. According to the information and explanations given to us the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rupees Five Lakhs in respect of any party during the period have been made at prices which are reasonable having regards to prevailing market prices at the relevant time in the opinion of the management.
- 6 The Company has not accepted any deposits from the public. Hence the requirements of clause (vi) of paragraph 4 of the Order is not applicable to the Company.
- 7 In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- 8 The Central government has not prescribed maintenance of the cost records under section 209(1)(d) of the Companies Act, 1956 in the year under review for any of the products of the Company.
- 9 According to the records of the Company, the Company is regular in depositing with appropriate authorities, any undisputed statutory dues including Provident Fund, Investors Education and Protection Fund, Employee's State Insurance Scheme, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it.

- 10 The Company has accumulated losses of Rs. 355.28 lakhs and has incurred cash losses of Rs. 340.47 lakhs during the year covered by our audit or in the immediately preceding financial year.
- 11 In our opinion and according to the information and explanations given to us the Company has not defaulted in repayment of dues to financial institutions or bank or debentureholder .
- 12 In our opinion and according to the information & explanation given to us , no loan and advances have been granted by the Company on the basis of security by way of pledge of shares , debentures and other securities.
- 13 In our opinion,the Company is not a Chit fund, Nidhi or mutual benefit Society. Hence, the requirements of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
- 14 The Company is not dealing or trading in shares, securities, debentures and other investments. Hence the requirements of clause (xiv) of paragraph 4 of the Order is not applicable to the Company.
- 15 According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from the Banks.
- 16 In our opinion and according to the information and explanations given to us, the Company has not taken any term loans during the year from banks and therefore, the provisions of clause 4(xvi) of the Order are not applicable to the Company.
- 17 According to the information and explanations given to us, no funds raised on short-term basis have been used for long-term investment. Similarly, no funds raised on long term basis have been used for short-term investment.
- 18 The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 19 The Company has not issued any debentures. Hence the requirements of clause (xix) of paragraph 4 of the Order is not applicable to the Company.
- 20 The Company has not raised any money by way of public issues during the year,
- 21 In our opinion & according to the information and explanations given to us, a fraud on or by the Company has not been noticed or reported during the year.

For RAMAN S. SHAH & ASSOCIATES

Chartered Accountants
Firm Reg. No. 119891W

SANTOSH A. SANKHE

Partner
M.No.100976

Place : Mumbai
Date : 30th August, 2014



BALANCE SHEET AS AT 30TH JUNE, 2014

Particulars	Note No.	As at 30th June, 2014 Rupees	As at 30th June, 2013 Rupees
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	2	5,76,61,840	5,76,61,840
Reserves and Surplus	3	63,34,510	3,92,33,623
		<u>6,39,96,350</u>	<u>9,68,95,463</u>
Current liabilities			
Trade payables	4	50,60,307	78,33,200
Other current liabilities	5	97,09,920	1,72,80,314
Short Terms Provisions	6	-	67,27,000
		<u>1,47,70,227</u>	<u>3,18,40,514</u>
TOTAL		<u>7,87,66,577</u>	<u>12,87,35,977</u>
II. ASSETS			
Non-current assets			
Fixed assets	7		
(i) Tangible assets		3,54,159	3,94,66,528
(ii) Intangible assets		8,078	12,293
		<u>3,62,237</u>	<u>3,94,78,821</u>
Non-current investments	8	90,21,867	90,21,867
Deferred Tax Assets	9	32,00,000	8,91,920
Current Assets			
Inventories	10	98,22,569	1,35,08,078
Trade receivables	11	3,23,17,787	4,79,01,274
Cash and cash equivalents	12	61,30,814	25,13,163
Short-term loans and advances	13	63,84,641	1,54,20,854
Other Current Assets	14	1,15,26,662	-
		<u>6,61,82,473</u>	<u>7,93,43,369</u>
TOTAL		<u>7,87,66,577</u>	<u>12,87,35,977</u>

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

As per our Report of even date attached

For and on behalf of the Board

For Raman S. Shah & Associates

Chartered Accountants
Firm Reg. No.119891W

Dr. B. M. Saraiya

Director

S. V. Atre

Executive Director

Santosh A. Sankhe

Partner
Membership No. 100976

Mumbai, 30th August, 2014

P. S. Nambiar

Company Secretary

Mumbai, 30th August, 2014

PROFIT AND LOSS ACCOUNT STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2014

Particulars	Note No.	Year Ended 30th June, 2014 Rupees	Year Ended 30th June, 2013 Rupees
I Revenue from operations (Gross)	15	1,59,69,090	9,33,26,597
II Other Income	16	4,06,73,851	52,39,940
III Total Revenue (I+II)		<u>5,66,42,941</u>	<u>9,85,66,537</u>
IV Expenses			
Cost of materials consumed	17	6,59,633	3,39,79,985
Purchases of stock in trade		-	82,22,527
Change in inventories of finished goods and work in progress	18	35,89,085	1,55,12,067
Employee benefits expenses	19	6,55,17,302	2,66,82,190
Finance cost	20	10,17,442	13,37,505
Depreciation and amortisation expenses		1,63,406	33,74,775
Other expenses	21	1,99,06,842	1,07,29,215
Total expenses		<u>9,08,53,710</u>	<u>9,98,38,264</u>
V Profit / (Loss) before Tax (III-IV)		<u>(3,42,10,769)</u>	<u>(12,71,727)</u>
VI Less : Tax expenses			
Current tax		-	-
Deferred tax		(23,08,080)	-
Tax for earlier years		9,96,424	-
		<u>(13,11,656)</u>	<u>-</u>
VII Profit / (Loss) for the year (V-VI)		<u>(3,28,99,113)</u>	<u>(12,71,727)</u>
VIII Earnings per share	22(10)		
Basic Earning per share		(5.71)	(0.22)
Diluted Earning per share		(5.71)	(0.22)

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

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, 30th August, 2014

For and on behalf of the Board

Dr. B. M. Saraiya

Director

S. V. Atre

Executive Director

P. S. Nambiar

Company Secretary

Mumbai, 30th August, 2014



CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2014

Particulars	Year Ended 30.06.2014 (Rupees)	Year Ended 30.06.2013 (Rupees)
A. Cash Flow arising from Operating Activities :		
Net profit / (loss) before tax and extraordinary items	(3,42,10,769)	(12,71,727)
Add / (Less) back :		
a) Depreciation charges	1,63,406	33,74,775
b) Interest charges	10,17,442	13,37,505
c) Bad debts w/off	1,35,34,553	-
d) Profit on sale of Asset	(3,79,44,152)	-
e) Dividend Income	(11,88,608)	(43,08,704)
f) Interest Income	(3,34,966)	(22,367)
g) Taxes Paid	(3,63,608)	-
Operating Profit / (loss) before working charges	(2,51,15,933)	3,81,209
Deduct / Add : a) Increase / (Decrease) in Trade Payable	(27,72,893)	3,59,986
b) (Increase)/Decrease in Loans & Advances	16,76,397	(10,61,277)
	(10,96,496)	(7,01,291)
Add / (Less) : a) Decrease in Trade & Other Receivables	20,48,934	(42,48,243)
b) Decrease in Current Liability	(70,90,659)	(78,63,250)
c) Increase / Decrease in Inventories	36,85,509	1,51,12,067
Net cashflow from operating Activity	(6,17,79,414)	14,08,765
B. Cash Flow arising from Investing Activities :		
Outflow on account of investing activity		
Acquisition of fixed assets (Incl. Capital WIP)	-	(39,90,990)
Inflow on account of investing activity		
Sale of fixed assets	6,53,70,667	-
Net cashflow from investing Activity	6,53,70,667	(39,90,990)
C. Cash Flow arising from Finance Activities :		
Inflow on account of Financing activity		
a) Interest Income	3,34,966	22,367
b) Dividend Income	11,88,608	43,08,704
Outflow on account of Financing activity		
a) Repayment - Loans	-	(1,34,187)
b) Dividend with tax paid	(4,79,734)	-
c) Interest on loan paid	(10,17,442)	(13,37,505)
Net cashflow from financing Activity	26,398	(14,71,692)
Net increase in cash / cash equivalent [A + B + C]	36,17,650	2,77,154
Add : Balance at the beginning of the year	25,13,163	22,36,009
Cash / Cash equivalents at the close of the year	61,30,814	25,13,163
Notes to cash flow :		
Components of cash flow :		
Cash - On - Hand	1,15,169	98,908
Demand deposits with bank (Bank balances)	60,15,645	24,14,255
	61,30,814	25,13,163
For and on behalf of the Board		
	Dr. B. M. Saraiya Director	S. V. Atre Executive Director
	P. S. Nambiar Company Secretary	
Mumbai, 30th August, 2014		

AUDITORS' CERTIFICATE

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

We have examined the attached cash flow statement of GARWARE MARINE INDUSTRIES LIMITED for the year ended 30th June, 2014. 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

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

Place : Mumbai
Date : 30th August, 2014

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2014

Note No. 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 cost.

B. Depreciation :

- (i) On original cost of all fixed assets installed upto 30.09.1987 on straight line method at rates prescribed U/S 205(2) (B) of the Companies Act, 1956 read with the circular No.1/86 (No.1.1.86CLV) dated 21.05.1986 of the Department of Company affairs.
- (ii) On all Fixed assets installed after 30.09.1987 on straight line method at rates prescribed in schedule XIV of Companies Act, 1956.
- (iii) On Leasehold land on amortisation basis.

C. Fixed Assets :

All Fixed Assets are stated at cost less Depreciation.

D. Inventories :

Items of Inventories are valued on the basis given below :

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

E. Investment :

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

F. Foreign Exchange Transactions :

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

G. Staff Benefits :

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

NOTE 2 Share Capital	As at 30th June 2014		As at 30th June 2013	
	Number	Rupees	Number	Rupees
Authorised Capital				
Equity Share Capital				
Equity Shares of Rs. 10/- each	99,00,000	9,90,00,000	99,00,000	9,90,00,000
Preference Share Capital				
11% Cumulative Redeemable Preference Shares of Rs. 100/- each, Redeemable at par on the expiry of 15 years from the date of allotment but at the option of the Company at any time after 12 years from the date of allotment by giving 3 months previous 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 30TH JUNE, 2014

a) Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956

Particulars	Equity Shares	
	Number	Rupees
Shares outstanding at 1st July 2013	57,66,184	5,76,61,840
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at 30th June 2014	57,66,184	5,76,61,840

b) Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956 (if more than 5%)

Name of Shareholder	As at 30th June 2014		As at 30th June 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ashok B. Garware	7,74,320	13.43%	7,74,320	13.43%

NOTE 3 Reserves & Surplus	As at 30th June 2014 Rupees	As at 30th June 2013 Rupees
a. Securities Premium Account	3,31,07,872	3,31,07,872
b. General Reserves		
Opening Balance	77,29,644	77,29,644
(+) Current Year Transfer	-	-
Closing Balance	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	(26,28,973)	(13,57,246)
(+) Net Profit / (Loss) for the current year	(3,28,99,113)	(12,71,727)
Closing Balance	(3,55,28,086)	(26,28,973)
Total	63,34,510	3,92,33,623

NOTE 4 Trade Payables	As at 30th June 2014 Rupees	As at 30th June 2013 Rupees
Micro, Small & Medium Enterprises	-	-
Others	50,60,307	78,33,200
Total	50,60,307	78,33,200

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 30th June 2014 Rupees	As at 30th June 2013 Rupees
Current Maturities of Long Term Debts	-	1,34,187
Unclaimed Dividends (To be credited to the Investor Education & Protection Fund as and when due)	11,50,627	16,30,361
Duties & Taxes Payables	3,37,989	4,46,835
Other Payables	82,21,304	1,50,68,931
Total	97,09,920	1,72,80,314

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2014

NOTE 6 Short Term Provisions	As at 30th June 2014 Rupees	As at 30th June 2013 Rupees
Provision for Taxation	-	67,27,000
Total	-	67,27,000

Note : 7

Fixed Asset

Amount in Rupees

Sr. No	Particulars	Gross Block			Depreciation				Net Block		
		As at 01.07.2013	Addition during the year	Deduction during the year	As at 30.06.2014	As at 01.07.2013	During the year	On Sale of Assets	As at 30.06.2014	As at 30.06.2014	As at 30.06.2013
A	Tangible Assets										
1	Land (Leasehold)	5,68,191	-	5,68,191	-	1,95,610	789	1,96,399	-	-	3,72,581
2	Building	1,01,41,524	-	1,01,41,524	-	61,82,014	-	61,82,014	-	-	42,01,322
3	Plant & Machinery	11,89,95,246	-	11,89,95,246	-	8,43,73,370	-	8,43,73,370	-	-	3,43,80,063
4	Furniture & Fixtures	11,83,553	-	-	11,83,553	11,26,656	-	-	11,26,656	56,897	56,897
5	Office Equipment	6,34,690	-	-	6,34,690	5,98,712	464	-	5,99,176	35,514	35,978
6	Vehicles	11,16,184	-	-	11,16,184	8,29,732	1,25,637	-	9,55,369	1,60,815	2,86,452
7	Computers	6,87,187	-	-	6,87,187	5,53,951	32,303	-	5,86,254	1,00,933	1,33,236
	TOTAL	13,33,26,575	-	12,97,04,961	36,21,614	9,38,60,045	1,59,193	9,07,51,783	32,67,455	3,54,159	3,94,66,528
B	Intangible Assets										
	Computer Software	26,000	-	-	26,000	13,707	4,215	-	17,922	8,078	12,293
	TOTAL	26,000	-	-	26,000	13,707	4,215	-	17,922	8,078	12,293
	Grand Total (A+B)	13,33,52,575	-	12,97,04,961	36,47,614	9,38,73,752	1,63,408	9,07,51,783	32,85,377	3,62,237	3,94,78,821
	Previous Year	12,93,61,585	39,90,990	-	13,33,52,574	9,04,98,978	33,74,775	-	9,38,73,753	3,94,78,821	

NOTE 8 Investments	As at 30th June 2014 Rupees	As at 30th June 2013 Rupees
SHARES :		
A Quoted		
14,85,760 (Previous year 14,85,760) Equity Shares of face value of Rs.10/- each fully paid of Global Offshore Services Ltd.	81,82,886	81,82,886
(Market Value Rs. 54,46,79,616/-, Previous Year Rs. 9,21,91,408/-)		
B Unquoted		
42,550 (Previous Year 42,550) Equity Shares of Rs.10/- each fully paid of Garware Nylon Ltd.	3,96,981	3,96,981
3,000 Equity Shares of Rs.100/- each of Garware Goa Nets Ltd. (Formerly Known as Sainet Limited)	4,17,000	4,17,000
2,500 Equity Shares of Rs.10/- each of The Shamrao Vithal Co-operative Bank Ltd.	25,000	25,000
Total	90,21,867	90,21,867

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2014

NOTE 9 Deferred tax Assets	As at 30th June 2014 Rupees	As at 30th June 2013 Rupees
Dissallowance under Income Tax Act	32,00,000	8,91,920
Total	32,00,000	8,91,920

NOTE 10 Inventories	As at 30th June 2014 Rupees	As at 30th June 2013 Rupees
a. Finished goods including Traded Goods * *(At cost or realisable value whichever is lower as certified by a director)	29,58,263	65,47,348
b. Stores, Spares and Packing Material (At Cost)	68,64,306	69,60,730
Total	98,22,569	1,35,08,078

NOTE 11 Trade Receivables (Unsecured, Considered Good)	As at 30th June 2014 Rupees	As at 30th June 2013 Rupees
(a) Debts outstanding for more than six months	-	1,36,51,863
(b) Other Debts	3,23,17,787	3,42,49,411
Total	3,23,17,787	4,79,01,274

NOTE 12 Cash & Cash Equivalants	As at 30th June 2014 Rupees	As at 30th June 2013 Rupees
a. Balances with banks		
Current Accounts	9,08,018	7,83,894
Unpaid Dividend Accounts	11,50,627	16,30,361
Fixed Deposits	39,57,000	-
	60,15,645	24,14,255
b. Cash on hand	1,15,169	98,908
Total	61,30,814	25,13,163

NOTE 13 Short Term Loans and Advances (Unsecured, Considered Good)	As at 30th June 2014 Rupees	As at 30th June 2013 Rupees
Advances recoverable in cash or in kind or for value to be received	17,15,831	32,73,958
Balance with Excise Authorities	6,59,986	6,59,986
Advance Tax and Tax Deducted at Source	17,32,301	90,92,117
Deposits	22,76,523	23,94,793
Total	63,84,641	1,54,20,854

NOTE 14 Other Current Assets (Unsecured, Considered Good)	As at 30th June 2014 Rupees	As at 30th June 2013 Rupees
Assets held for disposal	1,15,26,662	-
Total	1,15,26,662	-

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2014

NOTE 15 Revenue from Operations	Year Ended 30th June 2014 Rupees	Year Ended 30th June 2013 Rupees
Sales (Gross)	29,42,965	7,29,46,330
Other Operating Revenue	1,30,26,125	2,03,80,267
Total	<u>1,59,69,090</u>	<u>9,33,26,597</u>

NOTE 16 Other Income	Year Ended 30th June 2014 Rupees	Year Ended 30th June 2013 Rupees
Interest Income (Gross)	3,34,966	22,367
Dividend Income	11,88,608	43,08,704
Profit on sale of Assets	3,79,44,152	-
Miscellaneous Income	12,06,125	9,08,869
Total	<u>4,06,73,851</u>	<u>52,39,940</u>

NOTE 17 Cost of Materials Consumed	Year Ended 30th June 2014 Rupees	Year Ended 30th June 2013 Rupees
(a) Raw Materials Consumed		
Opening Stock	-	-
Add: Purchases	-	3,35,22,464
Less: Closing Stock	-	-
	<u>-</u>	<u>3,35,22,464</u>
(b) Stores and Spares Consumed		
Opening Stock of Stores & Spares	69,60,730	65,60,730
Add: Purchases	5,63,209	8,57,521
Less: Closing Stock	68,64,306	69,60,730
	<u>6,59,633</u>	<u>4,57,521</u>
Total	<u>6,59,633</u>	<u>3,39,79,985</u>

NOTE 18 Change in Inventories of finished goods and work in progress	Year Ended 30th June 2014 Rupees	Year Ended 30th June 2013 Rupees
Opening Stock		
Finished Goods (Including Traded Goods)	65,47,348	1,71,02,125
Semi-finished Goods	-	49,57,290
	<u>65,47,348</u>	<u>2,20,59,415</u>
Closing Stock		
Finished Goods (Including Traded Goods)	29,58,263	65,47,348
Semi-finished Goods	-	-
	<u>29,58,263</u>	<u>65,47,348</u>
(Increase)/Decrease in inventories of finished goods and work in progress	<u>35,89,085</u>	<u>1,55,12,067</u>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2014

NOTE 19 Employee Benefit Expenses	Year Ended 30th June 2014 Rupees	Year Ended 30th June 2013 Rupees
(a) Salaries, Wages & Other allowances	4,94,64,524	2,38,67,857
(b) Contributions to -		
(i) Provident Fund	2,98,353	14,67,156
(ii) EDLIS	8,476	54,298
(iii) P.F. / EDLIS Administrative Expenses	27,517	1,35,575
(iv) ESIC	13,489	26,213
(v) Maharashtra Labour Welfare fund	3,060	5,130
(c) Gratuity fund contributions	1,54,50,174	6,33,072
(d) Staff welfare expenses	2,51,709	4,92,890
Total	<u>6,55,17,302</u>	<u>2,66,82,190</u>

NOTE 20 Finance Cost	Year Ended 30th June 2014 Rupees	Year Ended 30th June 2013 Rupees
Interest and other Finance expenses	10,17,442	13,37,505
Total	<u>10,17,442</u>	<u>13,37,505</u>

NOTE 21 Other Expenses	Year Ended 30th June 2014 Rupees	Year Ended 30th June 2013 Rupees
Diesel Expenses	-	5,73,000
Electricity Expenses (Factory)	6,43,663	27,03,672
Fuel & Oil	-	1,03,782
Packing Materials	-	70,999
Rent	6,23,774	6,54,000
Transport Charges	37,495	14,28,180
Water Charges	2,05,030	1,63,544
Repairs & Maintenance		
- Machinery & Electrical	1,200	20,571
- Others	1,72,260	2,34,677
Books & Periodicals	500	1,840
Conveyance Expenses	82,676	2,56,668
Insurance	34,006	1,08,188
Rates and Taxes	10,80,580	2,340
Auditors Remuneration	1,74,158	1,25,000
Legal & Professional Expenses	14,52,158	4,65,964
Printing & Stationery	1,20,941	1,61,816
Advertisement Expenses	60,424	60,305
Postage & Courier	1,55,195	1,03,193
Telephone Expenses	1,41,093	1,92,493
Travelling Expense	3,51,531	3,91,007
Bad debts written off	1,35,34,553	-
Electricity Charges (others)	(75,029)	52,517
Sales Promotion Expenses	-	19,792
Other Operating Expenses	11,10,634	28,35,667
Total	<u>1,99,06,842</u>	<u>1,07,29,215</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2014

Note 22 : Additional Information to financial statements

1 Contingent Liabilities in respect of :

Guarantees given by Bankers Rs. NIL Lacs. (Previous Year Rs. 0.36 Lacs)

2 Auditors Remuneration :

Particulars	Year Ended 30.06.2014	Year Ended 30.06.2013
(a) Audit Fees	1,51,686	1,05,000
(b) Tax Audit Fees	22,472	20,000

3 Remuneration Paid/ Provided to Wholetime Directors :

Particulars	Year Ended 30.06.2014 (In Rs. Lacs)	Year Ended 30.06.2013 (In Rs. Lacs)
Salaries & Allowances	13.45	11.59
Total	13.45	11.59

4 (a) Capacity and Production

Particulars	Unit	Licenced Capacity		Installed Capacity		Actual Production	
		Year Ended 30.06.2014	Year Ended 30.06.2013	Year Ended 30.06.2014	Year Ended 30.06.2013	Year Ended 30.06.2014	Year Ended 30.06.2013
Nylon Fish Knitted Fabrics	M.T.	C.O.B. Licence for 256.000 Applied for	C.O.B. Licence for 256.000 Applied for	N.A.	256.000	N.A.	146.773

(b) Stocks of Finished Goods

Particulars	Year Ended 30.06.2014				Year Ended 30.06.2013			
	Opening Stock		Closing Stock		Opening Stock		Closing Stock	
	Qty. M.T.	Value Rupees	Qty. M.T.	Value Rupees	Qty. M.T.	Value Rupees	Qty. M.T.	Value Rupees
Nylon Fish Knitted Fabrics	18.443	65,47,348	8.333	29,58,263	41.863	1,48,61,432	18.443	65,47,348
Total		65,47,348		29,58,263		1,48,61,432		65,47,348

(c) Sales

Particulars	Year Ended 30.06.2014		Year Ended 30.06.2013	
	Qty. M.T.	Value Rupees	Qty. M.T.	Value Rupees
(i) Nylon Fish Knitted Fabrics	10.343	28,33,992	203.428	7,26,67,957
(ii) 3rd Grade Fabrics		1,08,973		2,78,373
(iii) Income from other Operations		1,30,26,125		2,03,80,267
Total		1,59,69,090		9,33,26,597



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2014

(d) Raw Material Consumed

Particulars	Year Ended 30.06.2014		Year Ended 30.06.2013	
	Qty. M.T.	Value Rupees	Qty. M.T.	Value Rupees
Nylon Yarn	-	-	132.175	3,35,22,464
Total		-		3,35,22,464

(e) Value of imported and indigenous raw material, stores & spares consumed and percentage of each to the total consumption :

Particulars		Year Ended 30.06.2014		Year Ended 30.06.2013	
		Value Rupees	Percentage to Total	Value Rupees	Percentage to Total
(i)	Raw Materials				
	Imported	-	-	-	-
	Indigenous	-	-	3,35,22,464	100%
	Total	-	-	3,35,22,464	100%
(ii)	Stores & Spares				
	Imported	-	-	-	-
	Indigenous	6,59,633	100%	4,57,521	100%
	Total	6,59,633	100%	4,57,521	100%

- 5 In the opinion of the Board, current assets, loans and advances have a value of 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. There are no contingent liabilities other than those stated in Note No.22(1).
- 6 Reconciliation of Sundry Debtors has been completed in part and the same has been reflected in the Accounts.
- 7 Garware Nylons Limited has gone into liquidation and Bombay High Court has appointed Official Liquidator on 18th December, 1998. No provision for diminution in the value of investment of 42,550 equity shares and an amount of Rs 10,97,791/- recoverable from them is made in the accounts.
- 8 The Company has certified that the Company does not have any related party as per the requirement of accounting standard 18 on "Related Party Disclosure" issued by the Institute of Chartered Accountants of India.
- 9 **Segment Reporting**

Particulars	Year Ended 30.06.2014 Rupees
Revenue by Industry Segement	
Manufacturing (Including other income)	4,36,16,816
Repairs / Contracts	1,30,26,125
Total	5,66,42,941
Less : Inter-Segment Revenue	-
	5,66,42,941
Segment Profit / (Loss) before Interest, Depreciation and Tax	
Manufacturing	(3,97,06,062)
Repairs / Contracts	79,87,797
	(3,17,18,265)
Less : Interest	10,17,442
Depreciation	1,63,406
Profit/(Loss) before Tax	(3,28,99,113)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2014

Principal Segments

The Company's operations mainly relate to manufacture of Nylon Fish Knitted Fabrics and providing ship repair services. Accordingly, revenues segmental information set out above.

Segmental Capital Employed

Fixed Assets and Liabilities pertain to fishnet division of the Company. Accordingly, no disclosure relating to total segment assets and liabilities have been made.

10 Earning Per Share :

Particulars	30.06.2014	30.06.2013
A Basic Earning Per Share :		
<u>Earning for Computing Earning Per Share :</u>		
Profit/(Loss) before Taxation	(3,42,10,769)	(12,71,727)
(Less) : Provision for Taxation	(13,11,656)	-
(A)	(3,28,99,113)	(12,71,727)
<u>Weighted Average No. of Equity Share Capital :</u>		
Equity share at the beginning of the year	57,66,184	57,66,184
(+) Fresh issue during the year	-	-
(-) Redeemed/ Forefeited during the year	-	-
(B)	57,66,184	57,66,184
BASIC EARNING PER SHARE (A / B)	(5.71)	(0.22)
B Diluted Earning Per Share :		
<u>Diluted Earning for Computing Diluted Earning Per Share :</u>		
Profit/(Loss) before Taxation	(3,42,10,769)	(12,71,727)
(Less) : Provision for Taxation	(13,11,656)	-
(A)	(3,28,99,113)	(12,71,727)
<u>Weighted Average No. of Equity Share Capital :</u>		
Equity share at the beginning of the year	57,66,184	57,66,184
(+) Fresh issue during the year (In weighted average for time)	-	-
(+) Potential No. of shares to be issued on conversion	-	-
(B)	57,66,184	57,66,184
DILUTED EARNING PER SHARE (A / B)	(5.71)	(0.22)

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 (a) The Board of Directors had announced a plan to dispose of Company's Manufacturing Division at Ahmednagar. The disposal is consistent with the Company's long term strategy to focus its activities in the areas of port services, maintenance services, and to divest unrelated activities. During the year, the Company completed the sale of land and building at its Ahmednagar Plant as per the agreement for sale executed thereon. Concurrently it has also disposed off part of the Plant and Machinery till the year end. The balance unsold value of Plant and Machinery is recognized as "Assets Held For Sale" Rs. 1,15,26,662/- in the financial statement of which negotiations are in progress.

The Company has recognized capital gain of Rs.3,79,44,152/- before tax on sale of Land & Building and Plant & machinery at Ahmednagar Manufacturing Division.

The Company has recognized Rs. 5,52,72,948/- which has been paid during the year of employees of the manufacturing division on account of Voluntary Retirement Scheme (including Gratuity) offered by the Company.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2014

(b) Profit and Loss account statement for continuing operations and discontinuing operations separately.

Profit & Loss Account statement for the year ended 30th June, 2014

Particulars	Year Ended 30th June, 2014 Rupees	
	Continuing Operations	Discontinuing Operations
I Revenue from operations (Gross)	1,30,26,125	29,42,965
II Other Income	27,29,700	3,79,44,152
III Total Revenue (I + II)	1,57,55,825	4,08,87,117
IV Expenses		
Cost of materials consumed	-	6,59,633
Changed in inventories of finished goods and work in progress	-	35,89,085
Employee benefits expenses	1,02,44,354	5,52,72,948
Finance cost	10,17,442	-
Depreciation and amortisation expenses	1,63,406	-
Other expenses	26,18,419	1,72,88,424
Total expenses	1,40,43,621	7,68,10,090
V Profit / (Loss) before Tax (III - IV)	17,12,204	(3,59,22,973)
VI Less : Tax expenses		
Current tax	-	-
Deferred tax	-	(23,08,080)
Tax for earlier years	-	9,96,424
	-	(13,11,656)
VII Profit / (Loss) for the year (V - VI)	17,12,204	(3,46,11,317)

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

Dr. B. M. Saraiya

Director

S. V. Atre

Executive Director

Santosh A. Sankhe

Partner

M. No. 100976

Mumbai, 30th August, 2014

P. S. Nambiar

Company Secretary

Mumbai, 30th August, 2014



ATTENDANCE SLIP

GARWARE MARINE INDUSTRIES LIMITED

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

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

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

Joint Shareholders may obtain additional slips at the entrance.

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

I hereby record my/our presence at the **36th ANNUAL GENERAL MEETING** at "Garware Sabhagriha", F.P.H. Building, 5th Floor, Lala Lajpatrai Marg, Mumbai 400 034 on Friday, 19th December, 2014 at 10.30 a.m.

Signature of the Member / Authorised Representative / Proxy



(TEAR HERE)



PROXY FORM

GARWARE MARINE INDUSTRIES LIMITED

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

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

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

Name of the Member (s) :

Registered address :

E-mail id :

Folio No. / Client Id :

DP ID :

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

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

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Thirty-sixth Annual General Meeting of the Company, to be held on Friday the **19th day of December 2014 at 10.30 A.M.** at the Garware Sabhagriha, F.P.H. Building, 5th Floor, Lala Lajpatrai Marg, Haji Ali, Mumbai 400 034 and at any adjournment thereof, in respect of such resolutions set out in the AGM Notice convening the meeting, as are indicated overleaf.



(TEAR HERE)



Resolution No.	Resolutions	Optional*	
		For	Against
1.	Adoption of Accounts		
2.	Re-appointment of Mr. Aditya A. Garware, who retires by rotation and being eligible, offers himself for re-appointment.		
3.	Appointment of Statutory Auditors		
4.	Appointment of Mrs. Shefali S. Bajaj as a Director, liable to retire by rotation		
5.	Appointment of Dr. B. M. Saraiya as an Independent Director		
6.	Appointment of Mr. V. V. Desai as an Independent Director		
7.	Appointment of Mr. Rajiv Khanna as an Independent Director		
8.	Special resolution for amendment of articles of association of the Company under Section 5 of the Companies Act, 2013.		

Signed this day of 2014

Signature of Proxy Holder(s)

Note: 1. The proxy must be returned so as to reach the registered office of the Company not later than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

*2. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

3. Please complete all details including details of member(s) in above box before submission.

BY COURIER

GARWARE MARINE INDUSTRIES LIMITED

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