



***Siddhi Vinayak Shipping Corporation Limited***

***Annual Report 2016-17***

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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Sanjay Kumar Sarawagi	Executive Director & Chairman
Mr. Manoj Kumar Sarawagi	Executive Director
Mr. Rakesh Kumar Sarawagi	Executive Director
Mrs. Ruchita Amit Mittal	Non- Executive Independent Woman Director
Mr. Mahesh Kumar Saboo	Non- Executive Independent Director
Mrs. Pratibha Gulgulia	Non- Executive Independent Woman Director

### **STATUTORY AUDITORS**

**M/s R. Kejriwal & Co.**  
2, Aastha, 2/906, Hira Modi Sheri,  
Opp. Gujarat Samachar Press,  
Sagrampura, Ring Road,  
Surat - 395002  
Ph: +91-261-2355984

### **BANKER TO THE COMPANY**

**Bank of Baroda**  
Textile Market Branch,  
Surat Textile Market  
Ring Road, Surat-395002

### **Union Bank of India**

Shop No. UG/1, Bhagwati Ashish Complex,  
City light Road Surat

### **REGISTERED OFFICE**

CIN: L35111GJ2012PLC068922  
Office Block, First Floor, Pl. No. 237/2 & 3,  
Sub Pl. No. A/25, Central Park Soc.  
GIDC, Pandesara, Surat-394 221  
Tel.: +91-261-2894415/16  
Fax : +91-261-2894419  
Email: [admin@sivishipping.com](mailto:admin@sivishipping.com)  
Website: [www.sivishipping.com](http://www.sivishipping.com)

### **REGISTRAR & SHARE TRANSFER AGENT**

M/s Bigshare Services Pvt. Ltd  
Bharat Tin Works Building,  
1<sup>st</sup> Floor, Opp. Vasant Oasis,  
Next to Keys Hotel, Makwana road, Marol,  
Andheri-East, Mumbai-400059  
+91-022-62638294  
Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

### **AUDIT COMMITTEE**

Ruchita Amit Mittal	Chairman
Mahesh Saboo	Member
Rakesh Kumar Sarawagi	Member

### **NOMINATION & REMUNERATION COMMITTEE**

Mahesh Kumar Saboo	Chairman
Ruchita Amit Mittal	Member
Pratibha Gulgulia	Member

### **STAKEHOLDERS, SHAREHOLDERS & INVESTORS GRIEVANCE COMMITTEE**

Mahesh Kumar Saboo	Chairman
Pratibha Gulgulia	Member
Ruchita Amit Mittal	Member

### **COMPANY SECRETARY / COMPLIANCE OFFICER**

Mr. Bhavesh Kantibhai Vaghasiya

### **BOOK CLOSURE**

Date: 4<sup>th</sup> Sep to 8<sup>th</sup> Sep  
(both days inclusive)

### **SIXTH ANNUAL GENERAL MEETING**

**Date:** 14 September, 2017  
**Time:** 11.30 A.M.  
**Venue:** Registered Office  
Office Block 1st Floor, Pl No. 237/2  
& 3, Sub Pl. No. A/25, Central Tel.:  
Soc.GIDC, Pandesara,  
Surat-394 221



# Siddhi Vinayak Shipping Corporation Limited

## NOTICE

Notice is hereby given that the 6<sup>th</sup> Annual General Meeting of the Members of **SIDDHI VINAYAK SHIPPING CORPORATION LIMITED** will be held on Thursday, 14th September, 2017 at 11.30 A.M. at the Registered Office of the Company at Office Block, First Floor, Pl. No. 237/2 & 3, Sub Pl. No. A/25, Central Park Soc., GIDC, Pandesara, Surat Gujarat - 394 221 to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2017 and Profit & Loss Account for the year ended on that date together with the report of the Board of Directors & Auditors' thereon.
2. To appoint a Director in place of Mr. Rakeshkumar Govind Prasad Sarawagi, Executive Director (DIN: 00005665), who being a director liable to retire by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

“**RESOLVED THAT** in accordance with the provision of Section 152 (6) and all other applicable provisions, if any, of the Companies Act, 2013, of Mr. Rakeshkumar Govind Prasad Sarawagi, Executive Director (DIN: 00005665), be and is hereby appointed as Director of the Company, liable to retire by rotation.”

3. To ratify the appointment of Auditors and Authorize the Board of Directors to fix their remuneration.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:-

“**RESOLVED THAT** pursuant to the provisions of Section 139 & 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under; M/s R. Kejriwal & Co., having firm registration no. 133558W, Chartered Accountants who were appointed in the AGM held on 29.09.2014, as the Statutory Auditors of the company for a period of 4 years subject to annual ratification; be and are hereby ratified for the financial year 2017-18 at such remuneration as may be determined by the Board of Directors of company.”

### SPECIAL BUSINESS

4. To Approve Material Related Party Transactions:

To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution.

“**RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014 to the extant applicable and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed in their respective meetings, the approval of the Company be and is hereby accorded to the Material Related Party Transactions entered by the company for the Financial Year 2016-17.

Further Resolved that approval be and hereby given for all the related party transactions approved by the audit committee for FY 17-18.”

For and on behalf of the Board of Directors  
**SIDDHI VINAYAK SHIPPING CORPORATION LTD.**

Sd/-

Date: 05<sup>th</sup> August, 2017  
Place: Surat

**Bhavesh Vaghasiya**  
Company Secretary

**NOTES:**

1. A member entitled to attend and vote at the annual general meeting (the “meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the company. The instrument appointing the proxy should, however be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting.
2. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the special business mentioned in above notice is annexed hereto. In terms of the provisions of Section 107 of the Companies Act, 2013, the business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e- voting are given in the notice after Note No. 21. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The instrument appointing the proxy, duly completed, must be deposited at the company’s registered office not less than 48 hours before the commencement of the meeting (on or before September 12, 2017, 11:30A.M. IST). A proxy form for the AGM is enclosed.
5. Relevant documents referred to in the above Notice and the accompanying Explanatory Statements are open for inspection at the Registered Office of the Company during the business hours on any working day (except Sunday and holidays) between 10.00 a.m. and 4.00 p.m. up to the date of the Annual General Meeting.
6. Members/Proxy holders/ Authorized representatives are requested to bring their copy of Annual Report and Attendance slip sent herewith, duly filled-in for attending the Annual General Meeting.
7. Members are requested to quote Folio number in all their correspondences.
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
9. The Register of Contracts & arrangements in which director are interested, maintained under section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
10. The Register of Members and the Share Transfer Books of the Company will remain closed from 4<sup>th</sup> September, 2017 to 8<sup>th</sup> September, 2017 (both days inclusive).
11. The Shareholders are requested to direct change of address notifications and updates details to their respective Depository Participant(s).
12. Equity shares of the Company are under compulsory demat trading by all Investors.
13. Pursuant to Section 108 of the Companies Act, 2013 (“the Act”) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by Companies (Management and Administration) Amendment, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by CDSL. The facility available for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise the right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e- voting are annexed to the Notice.
14. The Annual Report 2016-17, the Notice of the 6<sup>th</sup> AGM and instructions for e-voting along with the Attendance Slip and Proxy form, are being sent by electronic mode to all the members whose email addresses are registered with the Company/ Depository Participant(s) , unless a member has requested for a physical copy of documents. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
15. Members may also note that the Notice of the 6<sup>th</sup> AGM and the Annual Report 2016-17 will be available on

Company's website, [www.sivishipping.com](http://www.sivishipping.com).

16. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/re- appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent / declaration for their appointment/ re-appointment as required under the Companies Act, 2013 and the Rules there under.
17. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on **8<sup>th</sup> September, 2017**.
18. The voting period starts on Monday 11<sup>th</sup> September, 2017 on open of working hours (i.e 9:30 hours) and ends on the close of working hours (i.e. 17:00 hours), Wednesday, 13<sup>th</sup> September, 2017. The e-voting module shall also be automatically disabled for voting thereafter.
19. **Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication from the company electronically and quicker response to their queries to RTA or Company.**
20. The shareholder **needs to furnish the printed Attendance slip along with a valid identity proof such as the PAN card, Passport, AADHAR card or driving license to enter the AGM hall.**

**Note: The Map of Venue of AGM is as below, and the nearest land mark is State Bank of India, Pandesara, GIDC.**





## **INSTRUCTIONS**

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Monday 11<sup>th</sup> September, 2017 on open of working hours (i.e 9:30 hours) and ends on the close of working hours (i.e. 17:00 hours), Wednesday, 13<sup>th</sup> September, 2017. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 08<sup>th</sup> September, 2017, Friday may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (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,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
Dividend Bank Details  <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the SIDDHI VINAYAK SHIPPING CORPORATION LIMITED on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS 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.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.



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

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

In case of members receiving the physical copy:

Please follow all steps from Sl. No. i to Sl. No. xvi above to cast vote.

- The voting period begins on Monday, the 11<sup>th</sup> September, 2017 at 09.30 hours and ends on Wednesday, the 13<sup>th</sup> September, 2017 at 17.00 hours. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- In case of members desiring to exercise vote by Postal Ballot:

A member desiring to exercise vote by postal ballot shall complete the enclosed Ballot Form with assent (for) or dissent (against) and send it to Shri Ranjit Kejriwal, Company Secretary, 1, Aastha, 2/906, Hira Modi Sheri, Opp. Gujarat Samachar Press, Sagrapura, Ring Road, Surat – 395002 so as to reach him on or before 13<sup>th</sup> September, 2017 at 17.00 hours. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.

**For and on behalf of the Board of Directors**

Sd/-

**Date : 05<sup>th</sup> August, 2017**  
**Pace: Surat**

**Bhavesh Vaghasiya**  
**Company Secretary**

## **ANNEXURE TO NOTICE:**

### **Details of Director liable to retire by Rotation:**

Mr. **Rakeshkumar Govind Prasad Sarawagi**, is to be re- appointed as Director, who is liable to retire by rotation and as per the Regulation 36(3) of SEBI (Listing Obligations And Disclosure Requirements), Regulations 2015 his details are as under:

<b>Name of Director</b>	<b>Mr. Rakeshkumar Govind Prasad Sarawagi</b>
<b>DIN No.</b>	<b>00005665</b>
<b>Date of Birth</b>	<b>20/10/1976</b>
<b>Expertise in specific functional areas</b>	<b>Marketing</b>
<b>List of Companies in which directorship is held as on 31<sup>st</sup> March, 2017</b>	<b>As attached below</b>
<b>Chairman / Member of the Committee of other Company</b>	<b>Siddhi Vinayak Knots &amp; Prints Private Limited (Chairman)</b>

### **List of Companies in which Mr. Rakeshkumar Govind Prasad Sarawagi holds directorship as on 31<sup>st</sup> March, 2017:**

S.No.	Name of the Company	Nature of Interest	Shareholding	Date on which interest arose/changed
1.	SIDDHI VINAYAK KNOTS & PRINTS PRIVATE LIMITED	Whole Time Director	6100	05/08/2008
2.	KRISHNAKALI COUTURE PVT.LTD.	Director	5000	03/01/2014
3.	NARMADA THERMAL POWER LIMITED	Director	0	20/11/2010
4.	TAPTI VALLEY EDUCATION FOUNDATION	Director	0	06/09/2013
5.	SURAT REALATORS PVT. LTD.	Director	13500	27/01/2015
6.	SIDDHI VINAYAK TRENDZ PVT. LTD.	Director	15000	17/08/2015
7.	VERTEX FABTEX (INDIA) PVT.LTD.	Additional Director	01	24/03/2017
8.	SIDDHI VINAYAK SHIPPING CORPORATION LIMITED	Director	303700	07/02/2012

Mr. Sanjay Kumar Sarawagi & Mr. Manoj Kumar Sarawagi being relatives of director are concerned or interested in this resolution.

The Board of Directors recommends the proposed resolution for acceptance by member.

**For and on behalf of the Board of Directors**

Sd/-

**Date: 05<sup>th</sup> August, 2017**  
**Pace: Surat**

**Bhavesh Vaghasiya**  
**Company Secretary**

## **ANNEXURE TO NOTICE**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS**

#### **ITEM NO. 4**

The Board recommends the Special Resolution as set out at item No. 4 for the approval of the Shareholders.

During the financial year 2016-17 the company has entered into a related party transaction. The audit committee of your company gave an approval of upto Rs. 100.00 lakhs to be taken as a loan @ 9% p.a. from M/s Siddhi Vinayak Weaving Private Limited (Lender Company). Sister of the director(s) is a director of the Lender company and it becomes a related party under section 2(76) of The Companies Act, 2013. Your company has taken loan of amount Rs. 43,00,000/- from Siddhi Vinayak Weaving Private Limited, during FY 2016-17. Your company has also paid an interest of Rs. 17,136/- during the year. Amount of transaction is not exceeding 10% of annual consolidated turnover of the company calculated on interest, but it exceeds when calculated as per the total loan taken. So, your board as a matter of good corporate governance proposes to ratify the above transaction and also approve the transaction for FY 2017-18 also.

The executive directors of your company i.e Mr. Sanjaykumar Sarawagi, Mr. Manojkumar Sarawagi and Mr. Rakeshkumar Sarawagi are related in the transaction as brother of the director of the lender company.



# Siddhi Vinayak Shipping Corporation Limited

## DIRECTOR'S REPORT

### **TO THE MEMBERS,**

Your Directors take pleasure in presenting the Sixth Annual Report on the business and operations of your Company together with the Audited Accounts for the financial year ended 31st March 2017.

### **FINANCIAL PERFORMANCE/ STATE OF AFFAIRS:**

During the year, your Company has recorded a total income of Rs. 2,26,48,747/- against Rs. 2,77,70,258/- in the previous year, representing a decrease of 18.44%. Net Profit before Taxation for the financial year ended March 31, 2017 decreased to Rs. 7,33,196/- against Rs. 43,59,214/- in the preceding year, representing a fall of 83.18%. Consequently, the Profit after Tax amounted to Rs. 4,79,600/- against Rs. 29,94,120/- in the preceding year, representing a fall of 83.98%.

Financial performance of the Company for Financial Year 2016-17 is summarized below:

(Figure in rupees)

Particulars	2016-17*	2015-16*
Sales and Other Income	2,26,48,747	2,77,70,258
Profit before Interest, Depreciation & Tax	35,19,111	66,39,881
Less: Interest (Net)	15,00,617	9,81,546
Profit before Depreciation & Tax	20,18,494	56,58,335
Less: Depreciation	12,85,298	12,99,121
<b>Profit before Tax</b>	<b>7,33,196</b>	<b>43,59,214</b>
Less: Provisions for Taxation	2,53,596	13,65,094
<b>Net Profit after Tax</b>		
Balance brought forward from previous year	4,79,600	29,94,120
Profit available for appropriations	98,46,683	68,52,563
Appropriations	1,03,26,283	98,46,683
Transfer to General Reserve	--	--
Proposed Dividend – Equity shares - -	--	--
Corporate Dividend Tax - -	--	--
Balance carried to Balance Sheet	--	--
	<b>1,03,26,283</b>	<b>98,46,683</b>

\* Figures regrouped wherever necessary.

### **DIVIDEND:**

Keeping in mind the overall performance and outlook for your Company, your Board of Directors do not recommend dividends as the company is at infant stage of shipping industry and require funds for expansion. Your Directors are unable to recommend any dividend for the year ended 31<sup>st</sup> March, 2017.

**Regd Office:** Office Block, First Floor, Pl. No. 237/2&3, Sub Pl. No. A/25, Central Park Soc.GIDC, Pandesara, Surat-394221  
**E-mail:** admin@sivishipping.com, **WebSite:** www.sivishipping.com, **Tel. No.** 0261-2894415/16, **Fax No.** 0261- 2894419  
**CIN:** L35111GJ2012PLC068922

### **UNCLAIMED DIVIDEND:**

There is no balance lying in unpaid equity dividend account.

### **SHARE CAPITAL**

The paid up Equity Share Capital of the Company as on March 31, 2017 was Rs. 575.20 Lakh. There has been no change in the Equity Share Capital of the Company during the year.

### **TRANSFER TO RESERVES:**

Company has not transferred any amount from profit to general reserve.

### **SUBSIDIARY COMPANY**

The Company does not have any subsidiary.

### **PUBLIC DEPOSIT**

The company has not accepted deposits from the public during the financial year under review within the meaning of Section 73 of the Act of the Companies Act 2013, read with Companies (Acceptance of Deposits) Rules, 2014.

### **MATERIAL CHANGES**

There are no material changes have occurred between the end of the financial year of the company to which the financial statement relates and the date of the report, which is affecting the financial position of the company.

### **EXTRACT OF ANNUAL RETURN:**

The extract of the Annual Return in Form No. MGT – 9 shall form part of the Board's report and is attached as **Annexure I**.

### **CORPORATE GOVERNANCE**

As per the Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 the Report of the Corporate Governance and the Certificate of the Auditors of the Company in respect of compliance thereof are appended hereto and forming part of this report; is given in **Annexure II**. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached with the report on Corporate Governance.

### **NUMBER OF MEETING HELD DURING THE YEAR**

The Details of All meeting of Board of Directors and Committee meeting taken place during the year with their details along with their composition, policy and attendance, is given in **Annexure II**.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Rakeshkumar Govind Prasad Sarawagi (DIN: 00005665), Executive Director, retire by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act, 2013.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134 (3) (c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a. in the preparation of the annual accounts for the year ended March 31, 2017, the applicable Accounting Standards have been followed and there are no material departures from the same;
- b. the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of affairs of the Company as at March 31, 2017 and of the Profit of the Company for that

- period;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
  - d. The Directors had prepared the annual accounts of the Company on a 'going concern' basis; and
  - e. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
  - f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **DECLARATION BY INDEPENDENT DIRECTOR**

All the independent directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in section 149(6) of the Companies Act, 2013.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As per the Regulation 34 of SEBI (Listing Obligations And Disclosure Requirements), Regulations 2015, the Management Discussion and Analysis of the financial condition and results of consolidated operations of the Company under review, is annexed and forms an integral part of the Directors' Report, is given in **Annexure III**.

### **BOARD EVALUATION**

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

There was no employee drawing remuneration in excess of limits prescribed under section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Disclosures pertaining to remuneration as required under section 197(12) of the companies act' 2013 read with rules 5 (1) of the companies (appointment and remuneration of managerial personnel) Amendment rules, 2016 are annexed in **Annexure IV**.

### **INTERNAL FINANCIAL CONTROL SYSTEM**

The Company has a well placed, proper and adequate internal financial control system which ensures that all the assets are safeguarded and protected and that the transactions are authorized recorded and reported correctly. The internal audit covers a wide variety of operational matters and ensures compliance with specific standard with regards to availability and suitability of policies and procedures. During the year no reportable material weakness in the design or operation were observed.



The internal auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting of the Internal auditor to the Audit Committee of the Board.

### **ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The companies act, 2013 re-emphasizes the need for an effective internal financial control system in the company. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of internal financial controls with reference to the financial statements to be disclosed in the board's report. The detailed report forms part of Independent Auditors Report.

### **WHISTLE BLOWER POLICY / VIGIL MECHANISM**

Your Company has established a mechanism called Vigil Mechanism/Whistle Blower Policy for the directors and employees to report to the appropriate authorities off unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and provides safeguards against victimization of employees who avail the mechanism. The policy permits all the employees to report their concerns directly to the Chairman of the Audit Committee of the Company.

The Vigil Mechanism/Whistle Blower Policy as approved by the Board is uploaded on the Company's website. The web link is [http://www.sivishipping.com/resource/Vigil\\_Mechanism\\_Policy.pdf](http://www.sivishipping.com/resource/Vigil_Mechanism_Policy.pdf)

### **STATEMENT ON RISK MANAGEMENT:**

During the financial year under review a statement on risk management including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company as per the provisions of Section 134(3) (n) of Companies Act, 2013; has been annexed in **Annexure V**.

### **STATUTORY INFORMATION**

The Company being basically into the fabrication of ships & allied business and is the member of BSE SME Platform. Apart from this business, the Company is not engaged in any other business/activities.

### **STATUTORY AUDITORS**

M/s. R. Kejriwal & Co., Chartered Accountants (having Firm Registration No 133558W) are Statutory Auditors of the Company, who were appointed in AGM held on 29.09.2014 holds office until the conclusion of the 7th Annual General Meeting needs ratification by members of the company for financial year 2017-18. The Company has received letter from M/s R. Kejriwal & Co., Chartered Accountants, to the effect that their ratification of appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act 2013.

### **SECRETARIAL AUDITOR**

The Board had appointed Mr. Ranjit Kejriwal, Practicing Company Secretary to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report is annexed herewith in **Annexure VI** and does not contain any qualification, reservation or adverse remark.

### **COMMENTS ON AUDITOR'S REPORT**

The notes referred to in the Auditor's Report are self explanatory and as such they do not call for any further explanation.

### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

Your Board endeavors that all contracts/ arrangements/transactions entered by the Company during the financial year with related parties are in the ordinary course of business and on an arm's length basis only.

During the year under review the Company had entered into transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The Policy on Related Party Transactions is uploaded on the website of the company. The web link is <http://www.sivishipping.com/resource/RPT.pdf>. Further all related party transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis are attached herewith in FORM NO. AOC-2 in **Annexure VII**.

## **PARTICULARS OF LOANS GUARANTEES AND INVESTMENTS**

The company has not given any loans or guarantees or investments under section 186 (4) of Companies Act, 2013.

## **INSURANCE**

All the properties and the insurable interest of the company including building, plants and machinery and stocks wherever necessary and to the extent required have been adequately insured.

## **RESEARCH & DEVELOPMENT**

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

## **ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION AND R & D EFFORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The requirements for disclosure in respect of Conservation of Energy, Technology Absorption, in terms of Section 134(3) (m) of the Companies Act, 2013 read with the rule 8 of Companies (Accounts) Rules, 2014 are annexed herewith in **Annexure VIII**.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the Company.

## **SEXUAL HARASSMENT OF WOMEN**

During The year, there were no cases filed pursuant to the Sexual Harassment of women at Workplace (Prevention, Prohibition And Redressed) Act, 2013.

## **APPRECIATION**

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment and express their sincere thanks and appreciation to all the employees for their continued contribution, support and co-operation to the operations and performance of the company.

## **ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from Shareholders, Bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in successful performance of the Company during the year.

**For and on behalf of the Board of Directors**

**Place: Surat**

**Date: 05<sup>th</sup> August, 2017**

Sd/-

**Sanjay Kumar Sarawagi**  
**Executive Director & Chairman**  
(DIN: 00005468)

## Annexure I

### Form No. MGT-9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31<sup>st</sup> March 2017

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

#### I. REGISTRATION AND OTHER DETAILS:-

- i) CIN : L35111GJ2012PLC068922
- ii) Registration Date : 07/02/2012
- iii) Name of the Company :SIDDHI VINAYAK SHIPPING CORPORATION LIMITED
- iv) Category / Sub-Category of the Company : Public Company/Company having share capital
- v) Address of the registered office and contact details: OFFICE BLOCK FIRST FLOOR,  
PL. NO.237/2 & 3 SUB PL.NO.A/25, CENTRAL PARK SOC., G.I.D.C, PANDESARA, SURAT-394221
- vi) Whether listed company :YES
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any :**Bigshare Services Private Limited**  
Bharat Tin Works Building,  
1<sup>st</sup> Floor, Opp. Vasant Oasis,  
Next to Keys Hotel, Marol Maroshi Road,  
Andheri-East, Mumbai-400059  
Ph: +91-022-62638294  
Email:[info@bigshareonline.com](mailto:info@bigshareonline.com)

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / Services	NIC Code of the Products/Services	% to total turnover of the company
1	Ship Manufacturing	35	99.88%
2	Other Income	74999	0.12%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

i) **Category-wise Share**

##### Holding

Category of Shareholders	No. of Shares held at the beginning				No. of Shares held at the end				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A. Promoters</b>									
<b>1. Indian:</b>									
a. Individual/HUF	4168000	0	4168000	72.46	4168000	0	4168000	72.46	0
b. Central Govt.	0	0	0	0	0	0	0	0	0
c. State Govt.	0	0	0	0	0	0	0	0	0
d. Body Corporate	0	0	0	0	0	0	0	0	0
e. Banks/ FI	0	0	0	0	0	0	0	0	0
f. Any other ( Specify)	0	0	0	0	0	0	0	0	0
i) Directors Relatives	0	0	0	0	0	0	0	0	0
ii) Group Companies	0	0	0	0	0	0	0	0	0
iii) Trusts	0	0	0	0	0	0	0	0	0
<b>Total of (1)</b>	<b>4168000</b>	<b>0</b>	<b>4168000</b>	<b>72.46</b>	<b>4168000</b>	<b>0</b>	<b>4168000</b>	<b>72.46</b>	<b>0</b>
<b>2. Foreign</b>									
a. NRI Individual	0	0	0	0	0	0	0	0	0
b. Other Individual	0	0	0	0	0	0	0	0	0
c. Body Corporate	0	0	0	0	0	0	0	0	0
d. Banks/ FI	0	0	0	0	0	0	0	0	0
e. Any other	0	0	0	0	0	0	0	0	0
<b>Total of (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total A (1+2)</b>	<b>4168000</b>	<b>0</b>	<b>4168000</b>	<b>72.46</b>	<b>4168000</b>	<b>0</b>	<b>4168000</b>	<b>72.46</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a. Mutual Funds	0	0	0	0	0	0	0	0	0
b. Banks/ FI	0	0	0	0	0	0	0	0	0
c. Central Govt.	0	0	0	0	0	0	0	0	0
d. State Govt.	0	0	0	0	0	0	0	0	0
e. Venture Capital Funds	0	0	0	0	0	0	0	0	0
f. Insurance Companies	0	0	0	0	0	0	0	0	0
g. FII's	0	0	0	0	0	0	0	0	0
h. Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i. Others (Market Maker)	0	0	0	0	0	0	0	0	0
<b>Total of (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a. Body Corporate									
i. Indian	165000	0	165000	2.87	348000	0	348000	6.05	3.18
ii. Overseas	0	0	0	0	0	0	0	0	0
b. Individual									
i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	501000	0	501000	8.71	393000	0	393000	6.83	(1.88)
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	792000	0	792000	13.77	825000	0	825000	14.34	0.57
<b>c. Others ( Clearing Member)</b>	<b>126000</b>	<b>0</b>	<b>126000</b>	<b>2.19</b>	<b>18000</b>	<b>0</b>	<b>18000</b>	<b>0.31</b>	<b>(1.88)</b>
<b>Total of (2)</b>	<b>1584000</b>	<b>0</b>	<b>1584000</b>	<b>27.54</b>	<b>1584000</b>	<b>0</b>	<b>1584000</b>	<b>27.54</b>	<b>0</b>
<b>Total B (1+2)</b>	<b>1584000</b>	<b>0</b>	<b>1584000</b>	<b>27.54</b>	<b>1584000</b>	<b>0</b>	<b>1584000</b>	<b>27.54</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Total A+B+C	5752000	0	5752000	100	5752000	0	5752000	100	0
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ii)

### Promoters

### Shareholding of

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares	% of Shares Pledged / encumbered to total shares	
1.	Manoj Kumar Sarawagi	3261000	56.69%	0	3261000	56.69%	0	0
2.	Sanjay Kumar Sarawagi	303000	5.26%	0	303000	5.26%	0	0
3.	Rakesh Kumar Sarawagi	303700	5.27%	0	303700	5.27%	0	0
4.	Govind Prasad Sarawagi	300000	5.21%	0	300000	5.21%	0	0
5.	Manoj Kumar Sarawagi HUF	100	0.0017%	0	100	0.0017%	0	0
6.	Sarla Devi Sarawagi	100	0.0017%	0	100	0.0017%	0	0
7.	Sujata Devi Sarawagi	100	0.0017%	0	100	0.0017%	0	0
	Total	4168000	72.46%	0	4168000	72.46%	0	0

iii)

### Shareholding ( please specify, if there is no change)

### Change in Promoters'

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares	No. of Shares	% of total Shares
	At the Beginning of the year	4168000	72.46%		
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-		
		4168000	72.46%		
	At the end of the year				

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year			Cumulative Shareholding during the year			
		No. of Shares		% of total Shares	No. of Shares		% of total Shares	
1.	CHOICE EQUITY BROKING PRIVATE LIMITED							
	At the Beginning of the year	174000		3.03%	174000		3.03	
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative	
		08.04.16	(69000)	Transfer		(69000)	105000	
		15.04.16	(9000)	Transfer		(9000)	96000	
		29.04.16	(48000)	Transfer		(48000)	48000	
		06.05.16	(6000)	Transfer		(6000)	42000	
		20.05.16	(9000)	Transfer		(9000)	33000	
		29.07.16	(3000)	Transfer		(3000)	30000	
		02.09.16	(15000)	Transfer		(15000)	15000	
		09.09.16	(3000)	Transfer		(3000)	12000	
		16.09.16	3000	Transfer		3000	15000	
		23.09.16	(3000)	Transfer		(3000)	12000	
		30.09.16	3000	Transfer		3000	15000	
		28.10.16	(3000)	Transfer		(3000)	12000	
		04.11.16	(6000)	Transfer		(6000)	6000	
		11.11.16	(6000)	Transfer		(6000)	0	
		Total	0					
	At the end of the year	0		-	0		-	
2.	MIKER FINANCIAL CONSULTANTS PVT LTD							
	At the Beginning of the year	0		-	0		-	
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative	
		10.03.17	57000	Transfer		57000	57000	
		17.03.17	30000	Transfer		30000	87000	
		24.03.17	(87000)	Transfer		(87000)	0	
		31.03.17	120000	Transfer		120000	120000	
		Total	120000					
	At the end of the year	120000		2.09%	120000		2.09%	
3.	VINODKUMAR R MALI							
	At the Beginning of the year	0		-	0		-	
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative	
		31.03.17	117000	Transfer		117000	117000	
		Total	117000					
	At the end of the year	117000		2.03%	117000		2.03%	
4.	SONU PRAVIN DADLIKA							
	At the Beginning of the year	0		-	0		-	
	Date wise Increase/ Decrease in Promoters Share holding during the	Date	Shares	Reason		Shares	Cumulative	
		10.03.17	24000	Transfer		24000	24000	



	year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	31.03.17	90000	Transfer		90000	114000	
		Total	114000					
	At the end of the year		114000		1.98%	114000		1.98%
5.	<b>BEELINE BROKING LIMITED</b>							
	At the Beginning of the year		0		-	0		-
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative	
		24.03.17	132000	Transfer		132000	132000	
		31.03.17	(30000)	Transfer		(30000)	102000	
		Total	102000					
	At the end of the year		102000		1.77%	102000		1.77%
6.	<b>SUMIT KHETAN</b>							
	At the Beginning of the year		0		-	0		-
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative	
		01.04.16	36000	Transfer		36000	36000	
		08.04.16	54000	Transfer		54000	90000	
		Total	90000					
	At the end of the year		90000		1.56%	90000		1.56%
7.	<b>JAINAM SHARE CONSULTANTS PVT LTD</b>							
	At the Beginning of the year		72000		1.25%	72000		1.25%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative	
		01.04.16	(57000)	Transfer		(57000)	15000	
		08.04.16	(15000)	Transfer		(15000)	0	
		10.02.17	6000	Transfer		6000	6000	
		17.02.17	(6000)	Transfer		(6000)	0	
		10.03.17	6000	Transfer		6000	6000	
		17.03.17	(6000)	Transfer		(6000)	0	
		24.03.17	42000	Transfer		42000	42000	
		31.03.17	(42000)	Transfer		(42000)	0	
		Total	0					
	At the end of the year		0		-	0		-
8.	<b>DEEPALI AMIT SINGHAL</b>							
	At the Beginning of the year		69000		1.20%	69000		1.20%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		NIL			NIL		
	At the end of the year		69000		1.20%	69000		1.20%
9.	<b>USHA PRADEEP SINGHAL</b>							
	At the Beginning of the year		66000		1.15%	66000		1.15%

	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL				NIL																			
	At the end of the year	66000			1.15%	66000		1.15%																	
10.	NEETA DEVI KHAITAN																								
	At the Beginning of the year	0			-	0		-																	
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<table><tr><td>Date</td><td>Shares</td><td>Reason</td></tr><tr><td>08.04.16</td><td>51000</td><td>Transfer</td></tr><tr><td>15.04.16</td><td>9000</td><td>Transfer</td></tr><tr><td>Total</td><td>60000</td><td></td></tr></table>	Date	Shares	Reason	08.04.16	51000	Transfer	15.04.16	9000	Transfer	Total	60000				<table><tr><td>Shares</td><td>Cumulative</td></tr><tr><td>51000</td><td>51000</td></tr><tr><td>9000</td><td>60000</td></tr></table>	Shares	Cumulative	51000	51000	9000	60000		
Date	Shares	Reason																							
08.04.16	51000	Transfer																							
15.04.16	9000	Transfer																							
Total	60000																								
Shares	Cumulative																								
51000	51000																								
9000	60000																								
	At the end of the year	60000			1.04%	60000		1.04%																	
11.	UJAWAL TRENDZ																								
	At the Beginning of the year	21000			0.37%	21000		0.37%																	
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<table><tr><td>Date</td><td>Shares</td><td>Reason</td></tr><tr><td>01.04.16</td><td>21000</td><td>Transfer</td></tr><tr><td>08.04.16</td><td>15000</td><td>Transfer</td></tr><tr><td>Total</td><td>36000</td><td></td></tr></table>	Date	Shares	Reason	01.04.16	21000	Transfer	08.04.16	15000	Transfer	Total	36000				<table><tr><td>Shares</td><td>Cumulative</td></tr><tr><td>21000</td><td>42000</td></tr><tr><td>15000</td><td>57000</td></tr></table>	Shares	Cumulative	21000	42000	15000	57000		
Date	Shares	Reason																							
01.04.16	21000	Transfer																							
08.04.16	15000	Transfer																							
Total	36000																								
Shares	Cumulative																								
21000	42000																								
15000	57000																								
	At the end of the year	57000			0.99%	57000		0.99%																	
12.	ARYAN VINTRADE PRIVATE LIMITED																								
	At the Beginning of the year	0			-	0		-																	
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<table><tr><td>Date</td><td>Shares</td><td>Reason</td></tr><tr><td>22.07.16</td><td>36000</td><td>Transfer</td></tr><tr><td>29.07.16</td><td>18000</td><td>Transfer</td></tr><tr><td>Total</td><td>54000</td><td></td></tr></table>	Date	Shares	Reason	22.07.16	36000	Transfer	29.07.16	18000	Transfer	Total	54000				<table><tr><td>Shares</td><td>Cumulative</td></tr><tr><td>36000</td><td>36000</td></tr><tr><td>18000</td><td>54000</td></tr></table>	Shares	Cumulative	36000	36000	18000	54000		
Date	Shares	Reason																							
22.07.16	36000	Transfer																							
29.07.16	18000	Transfer																							
Total	54000																								
Shares	Cumulative																								
36000	36000																								
18000	54000																								
	At the end of the year	54000			0.94%	54000		0.94%																	
13.	AMIT PRADIPBHAI SINGHAL																								
	At the Beginning of the year	45000			0.78%	45000		0.78%																	
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL				NIL																			
	At the end of the year	45000			0.78%	45000		0.78%																	
14.	KANSIHKA S AGARWAL																								
	At the Beginning of the year	42000			0.73%	42000		0.73%																	
	Date wise Increase/ Decrease in Promoters	<table><tr><td>Date</td><td>Shares</td><td>Reason</td></tr></table>	Date	Shares	Reason			<table><tr><td>Shares</td><td>Cumulative</td></tr></table>	Shares	Cumulative															
Date	Shares	Reason																							
Shares	Cumulative																								

	Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	24.03.17	(42000)	Transfer		(42000)	0	
		Total	0					
	At the end of the year	0	-	0	-			
15.	<b>JAIPRAKASH DWARIKAPRASAD AGARWAL</b>							
	At the Beginning of the year	42000	0.73%	42000	0.73%			
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative	
		10.03.17	(12000)	Transfer		42000	30000	
		17.03.17	(12000)	Transfer		30000	18000	
		24.03.17	(18000)	Transfer		18000	0	
		Total	0					
	At the end of the year	0	-	0	-			
16.	<b>SANJAY AGARWAL (HUF)</b>							
	At the Beginning of the year	42000	0.73%	42000	0.73%			
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative	
		10.02.17	(6000)	Transfer		42000	36000	
		24.02.17	(12000)	Transfer		36000	24000	
		03.03.17	(6000)	Transfer		24000	18000	
		10.03.17	(18000)	Transfer		18000	0	
		Total	0					
	At the end of the year	0	-	0	-			
17.	<b>SANJAY KUMAR CHOUDHARY</b>							
	At the Beginning of the year	30000	0.52%	30000	0.52%			
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL				
	At the end of the year	30000	0.52%	30000	0.52%			
18.	<b>RAJKUMAR CHOUDHARY</b>							
	At the Beginning of the year	30000	0.52%	30000	0.52%			
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL				

	sweat equity etc):				
	At the end of the year	30000	0.52%	30000	0.52%

#### v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares	No. of Shares	% of total Shares
1	<b>MANOJKUMAR SARAWAGI</b>				
	At the Beginning of the year	3261000	56.69%	3261000	56.69%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	3261000	56.69%	3261000	56.69%
2	<b>RAKESHKUMAR SARAWAGI</b>				
	At the Beginning of the year	303700	5.28%	303700	5.28%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	303700	5.28%	303700	5.28%
3	<b>SANJAYKUMAR SARAWAGI</b>				
	At the Beginning of the year	303000	5.27%	303000	5.27%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	303000	5.27%	303000	5.27%

## V. INDEBTEDNESS

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

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning</b>				
i) Principal Amount	54,54,474	3,53,45,311	-	4,07,99,785
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total</b>	<b>54,54,474</b>	<b>3,53,45,311</b>	<b>-</b>	<b>4,07,99,785</b>
<b>Change in Indebtedness during the year</b>				
· Addition	8,16,670	2,19,81,264	-	2,27,97,934
· Reduction	29,09,296	1,69,29,972	-	1,98,39,268
<b>Indebtedness at the end</b>	<b>(20,92,626)</b>	<b>50,51,292</b>		<b>29,58,666</b>
i) Principal Amount	33,61,848	4,03,96,603	-	4,37,58,451
ii) Interest due but not paid	-	-	-	-

iii) Interest accrued but not due	-	-	-	-
<b>Total</b>	<b>33,61,848</b>	<b>4,03,96,603</b>	<b>-</b>	<b>4,37,58,451</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S.No.	Particulars of Remuneration	Name of Manager Amit Khandelwal	Total Amount
<b>1</b>	<b>Gross Salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,80,000	7,80,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
<b>2</b>	<b>Stock Option</b>	-	-
<b>3</b>	<b>Sweat Equity</b>	-	-
<b>4</b>	<b>Commission -</b>	-	-
	-as % of Profit	-	-
	-Others, Specify	-	-
<b>5</b>	<b>Others, please specify</b>	-	-
	<b>Total (A)</b>	<b>7,80,000</b>	<b>7,80,000</b>
	<b>Ceiling as per the Act</b>	<b>84 lakhs p.a</b>	<b>84 lakhs p.a</b>

### Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
<b>1</b>	<b>Independent Director</b>					
	a. Fees for attending board/ committee meeting	NIL				NIL
	b. Commission					
	c. Others, please specify					
	<b>Total (1)</b>					
<b>2</b>	<b>Other Non-Executive Directors</b>					
	a. Fees for attending board/ committee meeting	NIL				NIL
	b. Commission					
	c. Others, please specify					
	<b>Total (2)</b>					
	<b>Total (B) = (1+2)</b>	<b>NIL</b>				<b>NIL</b>
	<b>Total Managerial Remuneration</b>	<b>7,80,000</b>				<b>7,80,000</b>
	<b>Overall Ceiling as per the Act</b>	<b>84 lakhs p.a</b>				<b>84 lakhs p.a</b>

### B. Remuneration To Key Managerial Personnel Other Than Md / Manager / Wtd :

S.No.	Particulars	Key Managerial Personnel		
		Ankita Ashok Jain (CS)	Mustafa Moiz Haji(CFO)	Total

<b>1</b>	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	<b>2,85,691</b>	<b>2,67,000</b>	<b>5,52,691</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
<b>2</b>	<b>Stock Option</b>	-	-	-
<b>3</b>	<b>Sweat Equity</b>	-	-	-
<b>4</b>	<b>Commission -</b>	-	-	-
	<b>as % of Profit</b>	-	-	-
	<b>Others, Specify</b>	-	-	-
<b>5</b>	<b>Others, please specify</b>	-	-	-
	<b>Total</b>	<b>2,85,691</b>	<b>2,67,000</b>	<b>5,52,691</b>
	<b>Ceiling as per the Act</b>			

## **VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Breif Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
<b>B. DIRECTOR</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		





# Siddhi Vinayak Shipping Corporation Limited

Annexure II

## CORPORATE GOVERNANCE

In terms of Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the report containing details of corporate governance systems and processes at Siddhi Vinayak Shipping Corporation Limited is as under:

### 1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is to strive to do the right things, we explore innovative ideas and thinking with positive outlook. We stand and deliver our promises by adhering to highest standard of business ethics. We believe integrity is the foundation of our individual and corporate actions drives our organization to make it vibrant. Our organization is based on trust between the different element of our organization with honesty and credibility. In its endeavor to achieve the higher standards of governance by adopting the best emerging practices, the Company not only adheres to the prescribed corporate governance practices in terms of the regulatory requirements but is also committed to sound corporate governance principles and practices.

### 2. BOARD OF DIRECTORS

The Board of Directors of the Company (Board) has optimum combination of Non-Executive and Independent Directors comprising three Executive Non Independent Directors and three Non Executive Independent Directors.

None of the Directors hold directorship in more than 20 public limited companies nor is a member of more than 10 committees or chairman of more than 5 committees across all the public limited companies in which they are Directors.

#### **(a) Board Strength and representation:**

As of March 31, 2017, the Board consisted of six members. The Composition and the category of Directors on the Board of the Company were as under:

Category	Name of Director
Executive Director	Mr. Manojkumar Govind Prasad Sarawagi Mr. Sanjaykumar Govind Prasad Sarawagi Mr. Rakeshkumar Govind Prasad Sarawagi
Non Executive Independent Director	Mrs. Ruchita Amit Mittal Mr. Maheshkumar Hariram Saboo Mrs. Pratibha Pankaj Gulgulia

**Regd Office:** Office Block, First Floor, Pl. No. 237/2&3, Sub Pl. No. A/25, Central Park Soc.GIDC, Pandesara, Surat-394221  
**E-mail:** admin@sivishipping.com, **WebSite:** www.sivishipping.com, **Tel. No.** 0261-2894415/16, **Fax No.** 0261- 2894419  
**CIN:** L35111GJ2012PLC068922

**The Details of Directorship held by the Directors as on 31st March, 2017 and their attendance at the Board meetings during the year are as follows:**

Name of Directors	Category	No. of Board meetings held during the financial year 2016-17	No. of Board meetings as attended by the Directors during the financial year 2016-17	No. of Shares held as on 31.03.2017	Attendance at the Last AGM	No. of Committee positions held including the Company*
<b>Mr. Sanjay Kumar Sarawagi</b>	Executive Director	10	10	3,03,000	Yes	0
<b>Mr. Manoj Kumar Sarawagi</b>	Executive Director	10	09	32,61,000	Yes	0
<b>Mr. Rakesh Kumar Sarawagi</b>	Executive Director	10	10	3,03,700	Yes	1
<b>Mrs. Pratibha Gulgulia</b>	Non- Executive Independent Director	10	10	NIL	Yes	2
<b>Mrs. Ruchita Amit Mittal**</b>	Non- Executive Independent Director	10	10	NIL	Yes	3
<b>Mr. Mahesh Kumar Saboo**</b>	Non- Executive Independent Director	10	10	NIL	Yes	3

\*\*Membership / Chairman of only Audit Committee and Shareholders' / Investors' Grievance Committee and Nomination & Remuneration Committee in Public limited companies have been considered.

**Note:** All the Executive Directors are brother.

**(b) Details of number of Board Meetings held in the financial year.**

During the financial year 2016-17, **Ten Meetings (10)** of the Board of Directors were held on the following dates:

<u>20.04.2016</u>	<u>27.05.2016</u>	<u>11.07.2016</u>	<u>12.09.2016</u>	<u>14.10.2016</u>
<u>19.10.2016</u>	<u>14.11.2016</u>	<u>18.01.2017</u>	<u>13.02.2017</u>	<u>20.03.2017</u>

**(c) Familiarization to Independent Directors:**

The Independent Directors of the Company are familiarized with the various aspects of the Company provided with an overview of the requisite criteria of independence, roles, rights, duties and responsibilities of directors, terms of appointment of the Company and policies of the Company and other important regulatory aspects as relevant for directors.

The Company, through its Executive Director or Manager as well as other Senior Managerial Personnel, conducts presentations/programs to familiarize the Independent Directors with the strategy, operations and functions of the Company inclusive of important developments in business. The details of number of programs attended and the cumulative hours spent by an independent director are uploaded on the website of the company. The web link is [http://www.sivishipping.com/resource/Familiarisation\\_of\\_Independent\\_Director.pdf](http://www.sivishipping.com/resource/Familiarisation_of_Independent_Director.pdf)

### **3. AUDIT COMMITTEE**

The Audit Committee of Siddhi Vinayak Shipping Corporation Limited consists of two Independent Directors and one Executive Director of the Company. All the Directors have good understanding of Finance, Accounts and Law. The Audit Committee also advises the Management on the areas where internal control system can be improved.

The Compliance Officer of the Company acts as the Secretary to the Audit committee.

The Terms of reference of the Audit Committee are in accordance with all the items listed in Regulation 18(3) of SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015 are as follows:

**The role of the audit committee shall include the following:**

1. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the listed entity with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit

committee.

**The Audit Committee shall mandatorily review the following:**

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses; and
5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**Composition and attendance at Meetings:**

The Chairman of the Audit Committee is Mrs. Ruchita Amit Mittal has attended all the meetings during the financial year under review.

Name of Directors	Categories	Nature of Directorship
Mrs. Ruchita Amit Mittal	Chairman	Independent Woman Director
Mr. MaheshKumar Saboo	Member	Independent Director
Mr. Rakesh Kumar Sarawagi	Member	Executive Director

During the financial year 2016-17, Six Meetings of Audit Committee were held on following dates:

19.04.2016      24.05.2016      12.09.2016      10.10.2016      14.11.2016      10.03.2017

Attendance of the Directors at the Audit Committee Meetings held during the financial year is as under:

Name of Directors	Categories	No. of Meeting Attended
Mrs. Ruchita Amit Mittal	Chairman/ Member	6
Mr. MaheshKumar Saboo	Member	6
Mr. Rakesh Kumar Sarawagi	Member	6

**4. REMUNERATION COMMITTEE**

Your Company constituted a Nomination & Remuneration Committee to look into the matters pertaining to remuneration of executive and non executive directors. The Nomination & Remuneration Committee was constituted vide resolution passed at the meeting of the Board of Directors held on April 30, 2014.

The Board of Directors ('the Board') of **Siddhi Vinayak Shipping Corporation Limited ("the Company")** reviewed and revised the charter of Nomination & Remuneration Committee" approved at the Board Meeting held on March 26, 2016. The detailed Nomination & Remuneration Policy is uploaded on the website of the Company. The web link is [http://www.sivishipping.com/resource/Remuneration\\_Policy.pdf](http://www.sivishipping.com/resource/Remuneration_Policy.pdf)

Further in terms of Regulation 19(4) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 the Committee is required to formulate a criteria for evaluation of performance of Independent Directors and the Board of Directors. The criteria is available on the link [http://www.sivishipping.com/resource/Policy\\_for\\_Evaluation\\_of\\_Board.pdf](http://www.sivishipping.com/resource/Policy_for_Evaluation_of_Board.pdf)

**Composition of the Nomination & Remuneration Committee and attendance at Meetings:**

The composition of Nomination & Remuneration Committee has been as under;

Name of Directors	Categories	Nature of Directorship
Mr. Maheshkumar Saboo	Chairman	Independent Director
Mrs. Ruchita Amit Mittal	Member	Independent Woman Director
Mrs. Pratibha Gulgulia	Member	Independent Woman Director

During the financial year 2016-17 two (2) meetings of the Nomination & Remuneration Committee were held on following dates:

15.04.2016                      18.01.2017

Attendance of the Directors at the Nomination & Remuneration Committee Meetings held during the financial year is as under:

Name of Directors	Categories	No. of Meeting Attended
Mr. Maheshkumar Saboo	Chairman	2
Mrs. Ruchita Amit Mittal	Member	2
Mrs. Pratibha Gulgulia	Member	2

## **5. REMUNERATION OF DIRECTORS**

During the financial year under review the company did not pay any remuneration or sitting fees to any of the directors of the Company.

## **6. STAKEHOLDERS, SHAREHOLDERS'/ INVESTOR'S GRIEVANCES COMMITTEE**

Your Company has constituted a shareholder / investors grievance committee ("Stakeholders, Shareholders / Investors Grievance Committee") to redress the complaints of the shareholders.

The Stakeholders, Shareholder/Investors Grievance Committee shall oversee all matters pertaining to investors of our Company. Mr. Mahesh Kumar Saboo (Non Executive Independent Director) is heading the Committee.

### **Composition of the Stakeholders, Shareholders/Investors Grievance Committee and attendance at Meetings:**

The composition of Stakeholders, Shareholders/Investors Grievance Committee has been as under;

Name of Directors	Categories	Nature of Directorship
Mr. Maheshkumar Saboo	Chairman	Independent Director
Mrs. Ruchita Amit Mittal	Member	Independent Woman Director
Mrs. Pratibha Gulgulia	Member	Independent Woman Director

During the financial year 2016-17, four (4) meetings of Stakeholders, Shareholders'/ Investors Grievance Committee were held on following dates:

09.04.2016                      11.07.2016                      19.10.2016                      18.01.2017

Attendance of the Directors at the Stakeholders, Shareholders'/ Investors Grievance Committee Meetings held during the financial year is as under:

Name of Directors	Categories	No. of Meeting Attended
Mr. Maheshkumar Saboo	Chairman	4
Mrs. Ruchita Amit Mittal	Member	4
Mrs. Pratibha Gulgulia	Member	4

**Name & Designation and address of the Compliance Officer**

Ms. Ankita Jain – Company Secretary\*  
 Siddhi Vinayak Shipping Corporation Limited  
 Office Block First Floor, Pl. No. 237/2 & 3,  
 Sub Pl. No. A/25, Central Park Society,  
 GIDC, Pandesara, Surat-394 221

\*Ms. Ankita Jain, resigned on 02/06/2017. Mr. Bhavesh Vaghasiya was appointed as company secretary from 02/06/2017.

Pursuant to the Regulation 13(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015; the details regarding investor's complaints are as follows:

**Status of Complaints received, resolved and pending as on 31<sup>st</sup> March, 2017**

Number of Shareholders' Complaints Pending at the end of the year	Nil
Number of Shareholders' Complaints received during the year	Nil
Number of Shareholders' Complaints disposed during the year	Nil
Number of Shareholders' Complaints remain unresolved during the year	Nil

**7. GENERAL BODY MEETINGS**

The details of Annual General Meetings held during the last three years are as follows:

Years	Day, Date and Time	Venue
2013-14	Monday , 29 <sup>th</sup> September, 2014 at 11.00 A.M.	Office Block 1st Floor, Plot No. 237/2 & 3, Sub Plot No. A/25, Central Park Society, GIDC, Pandesara, Surat-394 221
2014-15	Friday, 24 <sup>th</sup> July, 2015 at 11.30 A.M.	Office Block 1st Floor, Plot No. 237/2 & 3, Sub Plot No. A/25, Central Park Society, GIDC, Pandesara, Surat-394 221
2015-16	Saturday, 27 <sup>th</sup> August, 2016 at 11.30 A.M.	Office Block 1st Floor, Plot No. 237/2 & 3, Sub Plot No. A/25, Central Park Society, GIDC, Pandesara, Surat-394 221

**The details of Resolution(s) which were passed in the last three Annual General Meetings ("AGM") of the Company along with details of Postal Ballot & voting pattern are as follows:**

AGM Date	Resolution	Ordinary/ Special	Favor		Against	
			Ballot	E- Votes	Ballot	E-Votes
29 <sup>th</sup> September 2014	Approval for Name Change	Special	7	4168000	0	0
	Appointment of Independent Woman Director ( Ruchita Amit Mittal)	Special	7	4168000	0	0
	Alteration in Articles of Association	Special	7	4168000	0	0
	Appointment of CFO ( Mustafa Haji)	Special	7	4168000	0	0
	Appointment of Manager (R.K. Singh)	Special	7	4168000	0	0
24 <sup>th</sup> July 2015	Adoption of Annual Accounts, Auditors report & Directors report	Ordinary	7	4212900	0	0
	Reappointment of Director Liable to retire by rotation	Ordinary	7	4212900	0	0
	Reappointment of Auditor	Ordinary	7	4212900	0	0



	Appointment of Independent Director Mrs. Pratibha Gulgulia	Special	7	4212900	0	0
	Appointment of Manager (Amit Khandelwal)	Special	7	4212900	0	0
27 <sup>th</sup> August 2016	Adoption of Annual Accounts, Auditors report & Directors report	Ordinary	9	4374800	0	0
	Reappointment of Director Liable to retire by rotation	Ordinary	9	4374800	0	0
	Reappointment of Auditor	Ordinary	9	4374800	0	0

**Name and address of scrutinizer or the person who conducted the postal ballot exercise:**

**Shri Ranjit Kejriwal**  
**Practicing Company Secretary,**  
 1, Aastha, 2/906, Hira Modi Sheri,  
 Opp. Gujarat Samachar Press,  
 Sagrampura, Ring Road,  
 Surat – 395002  
 Email : rbksurat@gmail.com  
 Ph: +91-261-2331123

**8. MEANS OF COMMUNICATION**

The half yearly financial results are regularly submitted to the Stock Exchange in accordance with the Listing Agreement and also uploaded on the Company's website – [www.sivishipping.com](http://www.sivishipping.com)

The official news, release, presentation that may be made to the Shareholders at the Annual General Meeting and the presentation as may be done to the analysts will be posted on the Company's website – [www.sivishipping.com](http://www.sivishipping.com)

**9. GENERAL SHAREHOLDER INFORMATION**

<b>9.1</b>	<b>Date, Time and Venue</b>	<b>Thursday, 14<sup>th</sup> September, 2017 at 11.30 A.M. at the Registered Office of the Company at Office Block, First Floor, Plot No. 237/2&amp; 3, Sub Plot No. A-25 Central Park soc. GIDC, Pandesara Surat-394221</b>
<b>9.2</b>	<b>Financial Year</b>	<b>The Financial year of the Company is From April 1 to March 31 of the following year.</b>
<b>9.3</b>	<b>Date of Book Closure</b>	<b>4<sup>th</sup> September, 2017 to 8<sup>th</sup> September, 2017</b>
<b>9.4</b>	<b>Listed on Stock Exchanges</b>	<b>SME Platform of BSE Limited, P.J. Towers, Fort, Mumbai</b>
<b>9.5</b>	<b>Scrip Code/ ID</b>	<b>537669/SIVI</b>

**The listing fees for the financial year 2016-17 were paid timely.**

**Market Price Data**

Table below gives the monthly high and low prices and volumes of M/s. Siddhi Vinayak Shipping Corporation Limited equity shares at SME Platform of BSE Limited for the year 2016-17:

<b>Month</b>	<b>SVSCL</b>	
	<b>High (in Rs.)</b>	<b>Low (in Rs.)</b>
Apr-16	25.15	25.05
May-16	27.35	27.00
Jun-16	27.35	27.00
Jul-16	28.25	26.90
Aug-16	28.00	26.10
Sep-16	30.25	26.10

Oct-16	32.25	31.00
Nov-16	42.20	31.00
Dec-16	43.00	42.90
Jan-17	50.90	50.90
Feb-17	60.00	40.80
Mar-17	58.90	34.00

**Performance in comparison to other indices:**

Table below gives the performance comparison of M/s. Siddhi Vinayak Shipping Corporation Limited to BSE Sensex, BSE SME for the F.Y.2016-17 on month to month closing figures:

Month	BSE Sensex	Change in %	BSE SME	Change in %	SVSCL	Change in %
April 2016	25606.62	-	806.94	-	25.10	-
May 2016	26667.96	4.14	854.94	5.95	27.20	8.36
June 2016	26999.72	1.24	883.84	3.38	27.20	0.00
July 2016	28051.86	3.89	925.32	4.69	28.25	3.86
August 2016	28452.17	1.43	954.90	3.20	28.00	-0.88
September 2016	27865.96	-2.06	994.55	4.15	30.25	8.03
October 2016	27930.21	0.23	1083.70	8.96	32.15	6.28
November 2016	26652.81	-4.57	1012.00	-6.62	42.10	30.95
December 2016	26626.46	-0.09	1070.80	5.81	43.00	2.14
January 2017	27655.96	3.86	1238.98	15.71	50.90	18.37
February 2017	28743.32	3.93	1242.19	0.26	50.50	-0.78
March 2017	29620.50	3.05	1288.88	3.76	34.00	-32.67

**Registrar & Transfer Agents: Bigshare Services Private Limited**

Bharat Tin Works Building,  
1<sup>st</sup> Floor, Opp. Vasant Oasis,  
Next to Keys Hotel, Marol Maroshi Road,  
Andheri-East, Mumbai-400059  
ph: +91-022-62638294  
Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**Distribution of Shareholdings as on 31<sup>st</sup> March, 2017:**

Share Holding of Nominal Value Rs.	Number of Shareholders	Percentage of Total	Share Amount Rs.	Percentage of Total
Upto 5000	3	2.83	3000	0.0052
20001 -30000	11	10.37	330000	0.5737

50001-100000	61	57.55	3750000	6.5195
100001-9999999999	31	29.25	53437000	92.9016
<b>Total</b>	<b>106</b>	<b>100</b>	<b>57520000</b>	<b>100.0000</b>

Category	No of Shares held	Shareholding %
Promoter & Promoter Group	4168000	72.46
Bodies Corporate	348000	6.05
Individuals	1218000	21.18
Clearing Member	18000	0.31
<b>Total</b>	<b>5752000</b>	<b>100</b>

**Share Transfer System:** All shares are held in Demat Form.

**Dematerialization of Shares and Liquidity:**

As on 31<sup>st</sup> March, 2017, a total of 57,52,000 equity shares equivalent to 100% of the total issued, subscribed and paid-up equity share capital of the Company were in dematerialized form.

The equity Shares of the Company are traded on the SME platform of BSE Limited.

**Outstanding GDRs/ADRs/Warrants or any Convertible Instruments:**NIL

**Plant Locations:** Not Applicable

**Address for Correspondence:**

**Registrar and Share Transfer Agents :Bigshare Services Private Limited**  
 Bharat Tin Works Building,  
 1<sup>st</sup> Floor, Opp. Vasant Oasis,  
 Next to Keys Hotel, Moral Maroshi Road,  
 Andheri-East, Mumbai-400059  
 Ph: +91-022-62638294  
 Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)  
 Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**Company & Registered Office: Siddhi Vinayak Shipping Corporation Limited**  
 Office Block, First Floor,  
 Pl. No. 237/2 & 3 Sub Pl. No. A-25,  
 Central Park Society, GIDC, Pandesara  
 Surat-394221  
 Tel No. +91 261 2894415/16  
 Email: [investors@sivishippng.com](mailto:investors@sivishippng.com)  
 Website: [www.sivishipping.com](http://www.sivishipping.com)

## **10. DISCLOSURES**

**Related Party Transaction**

The Company has entered into following material related party transaction during the year:

Name of the related party	Particulars	Interest Paid	Rate of Interest
Siddhi Vinayak Weaving Private Limited	Interest Paid on Unsecured Loan	Rs.17,136	9% p.a

The Audit Committee reviews the transactions. The policy has been disseminated on the website of the Company.

**Statutory Compliance, Penalties and Strictures**

The Company has complied with the requirements of the Stock Exchanges / Securities and Exchange Board of India (SEBI) / and Statutory Authorities to the extent applicable, and accordingly no penalties

have been levied or strictures have been imposed on the Company on any matter related to capital markets during the last three years.

**Whistle Blower Policy/Vigil Mechanism Policy**

The Company has a formal Whistle Blower Policy/ Vigil Mechanism Policy. The Directors of the Company affirms that no personnel have been denied access to the Audit Committee.

**Mandatory & Non Mandatory Requirements:**

The Company has complied with all the mandatory requirements of Corporate Governance and endeavors to adopt good corporate governance practices which help in adoption of non mandatory requirements.

**11. DISCRETIONARY REQUIREMENTS**

**The Board**

The chairperson of the company is an Executive Director.

**Shareholder Rights**

Half yearly declaration of financial performance is uploaded on the website of the company as soon as it is intimated to the stock exchange.

**Modified opinion(s) in audit report**

Standard practices and procedures are followed to ensure unmodified financial statements.

**Separate posts of chairperson and chief Executive Officer**

The company has a separate post of chairperson.

**Reporting of Internal Auditor**

The Company has appointed M/s V. M. Patel & Associates as the Internal Auditor of the Company for the F.Y. 2017-18. The Internal Auditor reports to the Audit Committee periodically with Internal Audit Report prepared on monthly basis.

**DECLARATION**

All the Members of the Board of Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31<sup>st</sup> March, 2017 as applicable to them as laid down in SEBI (Listing Obligation And Disclosure Requirements), Regulations 2015 with the code of conduct of Board of directors and senior management.

**For Siddhi Vinayak Shipping Corporation Ltd.**

**Date: 05<sup>th</sup> August, 2017**  
**Place: Surat**

Sd/-  
**Sanjay Kumar Sarawagi**  
**Executive Director & Chairman**  
(DIN: 00005468)

# **R Kejriwal & Co.**

Chartered Accountants

2, Aastha, 2/906, Hira Modi Sheri, Ring Road, Surat -395002

Email: [auditkejriwal@gmail.com](mailto:auditkejriwal@gmail.com) Ph: 0261-2355984

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## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members of

**Siddhi Vinayak Shipping Corporation Limited**

We have examined the compliance of the conditions of Corporate Governance by Siddhi Vinayak Shipping Corporation Limited (The Company) CIN: L35111GJ2012PLC068922; for the year ended 31st March 2017 as stipulated in Regulation 27(2) of SEBI (Listing Obligation And Disclosure Requirements), Regulations 2015 of the said Company with Bombay Stock Exchange Ltd.

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

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

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievances Committee.

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

**For R Kejriwal & Co.  
Chartered Accountants  
(FRN : 133558W)**

PLACE: SURAT  
DATE: 05.08.2017

Sd/-  
**VISHAL JOSHI**  
Partner  
M. No. 427019  
AAPFR9048C



## **Siddhi Vinayak Shipping Corporation Limited**

**Annexure III**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

In terms of Regulation 34 of SEBI (Listing Obligations And Disclosure Requirements), Regulations, 2015 the Management Discussion and Analysis Report (MDAR) is structured as follows:

- Industry structure and developments
- Opportunities & Threats
- Segment-wise or product-wise performance
- Outlook
- Risk and Concerns
- Internal Control System
- Financial and operational performance
- Material Development in Human Resources

Some Statements in this discussion may be forward looking. Future performance may however differ from those stated in the management discussion and analysis on account of various factors such as changes in Government regulations, tax regimes, impact of competition, etc.

### **INDUSTRY/MARKET TREND & ECONOMY**

The Indian Shipbuilding and Ship Repair industry primarily comprises firms that develop, build and repair - ships, underwater equipment and naval architectures for the shipping industry, fishing industry, naval defence and extraction of ocean resources. The shipbuilding industry is a strategically important industry due to its role in energy security, national defence and for developing heavy engineering industry. A growing Indian economy, favourable government policies and incentives framework, a long coastline and growing sea borne trade present a huge business opportunity within the Indian Shipbuilding Ship Repair and Ship Recycling industry. Bulk carriers (within large sea going vessels segment) and offshore vessels (within medium size specialized vessels segment) hold maximum demand as per the current order book of the major Indian Shipbuilding companies.

The government has granted infrastructure status to shipyard industry, with the infrastructure status, shipyard industry will be able to avail flexible structuring of long-term project loans, long-term funding from infra funds at lower interest rates and longer tenure equivalent to the economic life of their assets, relaxed ECB norms, issuance of infrastructure bonds for meeting working capital requirements as well as benefits under Income Tax Act, 1961.

According to the statement of Ministry of Shipping "The Institutional Mechanism on Infrastructure chaired by Secretary, Department of Economic Affairs has recommended inclusion of shipyards undertaking shipbuilding and ship-repair under the harmonized list of infrastructure sectors," the government has exempted customs and central excise duties on inputs utilized for the purpose of manufacture of ships.

**Regd Office:** Office Block, First Floor, Pl. No. 237/2&3, Sub. Pl. No. A/25, Central Park Soc.GIDC, Pandesara, Surat-394221  
**E-mail:**admin@sivishipping.com, **WebSite:** www.sivishipping.com, **Tel. No.** 0261-2894415/16, **Fax No.** 0261- 2894419  
**CIN:**L35111GJ2012PLC068922

## **OPPORTUNITIES & THREATS**

The ship-building market is currently on a downturn with excess capacities globally. India can prepare itself for the upturn target a 10 million GT ship-building industry by 2025, through a comprehensive model of industry imperatives and government support.

Three marine clusters for India could include:

- Gujarat - Combining the steel cluster at Hazira, upcoming automobile cluster at Sanand, Shipyard at Pipavav, Ship-breaking yard at Alang, and Gujarat International Finance Tec-City.
- Tamil Nadu - Combining the automotive clusters at Chennai and Ennore and proposed new steel cluster near Chennai/Ennore.
- Andaman & Nicobar Islands – Marine cluster to leverage the potential of the region for tourism and possibly MRO services for ships passing through the international east-west trade route.

## **SEGMENT WISE OR PRODUCT WISE PERFORMANCE**

In recent years, shipyards have been starting to implement more of advance outfitting. When we look at conventional shipbuilding processes, the vessel hull is first fabricated on the dock and the outfitting is started only after launching the hull from the berth. This costs a lot of time that can be minimized with the concept of advanced outfitting.

Advanced outfitting concept involves assembling the outfit components like machinery, seating structures and piping etc into a small unit that is then fixed at the planned position in the hull block itself. Steel structure & outfit component units are developed at the same time rather than waiting to complete the erection the vessel hull before outfit components can be installed.

Shipyards that practice such innovative concept claim that building cycle time can be substantially reduced. From ultra efficient propeller designs, to no-ballast systems and efficient solar cell integration, it is undeniable that shipbuilding industry is constantly breaking through in terms of building the GEENEST ship possible.

## **OVERVIEW & OUTLOOK**

Indian Shipbuilding industry is at an early stage but has to compete against established yards in Korea and China to grab a share of the market. Its lower scale leads to several disadvantages in design and manpower costs. Leading shipbuilding countries support the industry by creating enabling policies for development of technical and manpower capabilities.

There is an increased focus by Indian shipbuilders on developing design capabilities either in house or through established bodies like National Ship Design Research Centre (NSDRC). However, it may still take some time for India to mitigate this cost disadvantage which clearly depends on their ability to attract orders and offset a share of profit in these areas.

Commercial shipbuilding demand is determined by international and domestic trade, the health of the global economy, and rate of fleet replacement due to age or obsolescence. Small companies usually specialize in building and repair of small commercial vessels. Large companies tend to offer a wide range of building and repair services for both commercial and military vessels, and enjoy economies of scale in purchasing, design, and manufacturing.

## **RISK AND CONCERNS**

The global trade is faced with two main areas of uncertainties, one the policy changes that the US Administration might implement in the near future and two the impact of UK's exit from the European Union. Any adverse movement in any of these two events is likely to impact the growth in the trade and impact the shipping lines. In India, the imports have been strong and are likely to maintain the trend. In case of below normal monsoon, it could have an adverse impact on the consumption pattern in the rural areas.

## **INTERNAL CONTROL SYSTEM**

The Company has in place an adequate system of internal control commensurate with its size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly and the business operations are conducted as per the prescribed policies and procedures of the Company.

The Audit committee and the management have reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.

### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The company continues to operate on ship fabrication and other allied activities during the financial year under review. Your Company has recorded total revenue of Rs. 2,26,48,747/-, Net Profit after tax for the Financial Year stood at Rs. 4,79,600/- and recorded an EBIDITA of Rs. 7,33,196/- as standalone basis for the financial year under consideration.

### **HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS**

Your Company firmly believes that its human resources are the key enablers for the growth of the Company and important asset. Hence, the success of the Company is closely aligned to the goals of the human resources of the Company. Taking into this account, your Company continued to Invest in developing its human capita and establishing its brand on the market to attract and retain the best talent.

Employee relations during the period under review continued to be healthy, cordial and harmonious at all levels and your Company is committed to maintain good relations with the employees.

### **CAUTIONARY STATEMENT**

The report may contain certain statements that the Company believes are, or may be considered to be "forward looking statements" that describe our objectives, plans or goals. All these forward looking statements are subject to certain risks and uncertainties, including but not limited to, government action, economic development and risks inherent in the Company's growth strategy and other factors that could cause the actual results to differ materially from those contemplated by the relevant forward looking statements.

**For Siddhi Vinayak Shipping Corporation Limited**

**Date: 05<sup>th</sup> August, 2017**  
**Place: Surat**

Sd/-  
**Sanjay Kumar Sarawagi**  
**Executive Director & Chairman**  
**(DIN: 00005468)**



## Annexure IV

The Disclosures pertaining to remuneration as required under section 197(12) of the companies act' 2013 read with rules 5 (1) of the companies (appointment and remuneration of managerial personnel) Amendment rules, 2016 are as under:

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for F.Y. 2016-17 (in rupees)	% increase in Remuneration in the F.Y. 2016-17	Ratio of Remuneration of each Director/to median remuneration of employees
1.	Sanjay Kumar G Sarawagi* Executive Director & Chairman	N.A.		
2.	ManojKumar G Sarawagi * Executive Director	N.A.		
3.	Rakeshkumar G Sarawagi* Executive Director	N.A.		
4.	Maheshkumar Hariram Saboo * Non- Executive Director	N.A.		
5.	Ruchita Amit Mittal* Non- Executive Director	N.A.		
6.	Pratibha Gulgulia* Non- Executive Director	N.A.		
7.	Ankita Ashok Jain Company Secretary	<b>2,85,691</b>	5.58%	
8.	Mustafa Moiz Hazi Chief Financial Officer	<b>2,67,000</b>	39.06 %	
9.	Amit Khandelwal Manager	<b>7,80,000</b>	95 %	

\* All the Directors do not receive any remuneration or sitting fees.

- (ii) The median remuneration of employees of the Company during the Financial Year was Rs. 15,100/-
- (iii) In the Financial year , there was an increase of 2.02% in the median remuneration of employees;
- (iv) There were 77 permanent employees on the rolls of the Company as on March 31,2017;
- (v) Average percentage increase made in the salaries of employees other than the managerial personnel in comparison of the last financial year is 27.15%. There is average increase of 46.55% in the remuneration of Key Managerial personnel in comparison to the last financial year.
- (vi) The remuneration of KMP is as per the recommendations of the Nomination & Remuneration Committee.
- (vii) It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other Employees.

**STATEMENT ON RISK MANAGEMENT**

All businesses are fraught with risk and ship building is not different. We at **Siddhi Vinayak Shipping Corporation Limited** seek to minimize the adverse impacts of all kinds of risks, thus enabling the company to leverage market opportunities effectively and enhance long term competitive advantage. Our Risk Management Framework involves identification, analyses, evaluation, treatment, mitigation and monitoring all kinds of risks like Strategic, External and operational risks.

**Strategic risk** is the risk associated with our long term business strategies and the risks associated with the execution of these strategies. The shipbuilding and repair industry is going through a lull right now though the outlook looks promising in the next 10-15 years horizon owing to the Make in India policy and the change in the FDI rules for this sector. In order to mitigate the strategic risk we have taken conscious decision to develop our capabilities in aluminum boats construction and repairs which is a niche sectors (Not too many players) and we have also realigned ourselves to be engineering Services Company for shipbuilders and other related industries.

**External Risk** arises out of uncontrollable factors from outside the organization like downturn in the economy, adverse policies or regulatory framework or even natural disasters.

Operational Risk arises out of inefficiencies or negligence in the operations or system of internal controls. These are risk associated with non compliance with statutory requirements or policies, not following the safety regulations, engaging in unlawful or fraudulent behavior or breaches of contractual agreement. As a company we have checks and balances in places ensure such things don't happen. Proper PPEs are provided to all employees working on the shop floor to ensure safety. Internal and statutory audits on regular interval put the relevant checks in place.

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2017

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
**Siddhi Vinayak Shipping Corporation Limited**  
(CIN: L35111GJ2012PLC068922)  
Office Block First Floor Pl. No. 237/2 & 3  
Sub Pl. No. A/25 Central Park Soc.,  
G.I.D.C, Pandesara, Surat –394221.

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Siddhi Vinayak Shipping Corporation Limited**, (hereinafter called the "company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the **M/s. Siddhi Vinayak Shipping Corporation Limited**, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2017** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Siddhi Vinayak Shipping Corporation Limited** for the financial year ended on **31<sup>st</sup> March, 2017** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable during the year:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992( upto 14<sup>th</sup> May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15<sup>th</sup> May, 2015);
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

- vi. Other Laws Specifically Applicable to Company:  
a. Contract Labour Act.

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

- i. Secretarial Standards with regard to the Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India made effective from **1<sup>st</sup> July, 2015**.
- ii. The Listing Agreements entered into by the Company with BSE-SME Stock Exchange of India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which effective from **1<sup>st</sup> December, 2015**.

During The year under review, the company has complied with the provisions of the act, rules, regulations and guidelines mentioned above.

During the year under review, the company has received an unsecured loan from related party and paid an interest of Rs. 17,136 @ 9.00 % P.A. As reported all the compliances have been done and the above transaction will be placed before the ensuing AGM for ratification of shareholders.

**I further report that**, based on the information provided by the company, its officers and authorised representative during the conduct of the audit, and also on the review of reports by CS/CEO of the company, in my opinion, adequate systems and processes and control mechanism exist in the company to monitor and ensure compliance with applicable general laws.

I further report, that the compliance by the company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

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

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

As per the minutes of the meetings duly recorded and signed by the chairman, the decisions of the board were unanimous and no dissenting views have been recorded.

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

*I report further that, during the audit period, there were no specific events/actions in pursuance of the aforesaid laws, rules, regulations, etc. having a major bearing on the company's affairs.*

Sd/-

Place: SURAT  
Date: 05<sup>th</sup> August, 2017

Signature:  
Name of PCS: Ranjit B. Kejriwal  
FCS No.: 6116  
C P No.: 5985

## Annexure VII

### Siddhi Vinayak Shipping Corporation Limited

CIN: L35111GJ2012PLC068922

Office Block 1st Floor, Pl No. 237/2& 3, Sub Pl No. A/25, Central Soc.GIDC, Pandesara, Surat-394 221

Email: admin@sivishipping.com, Ph: 0261-2894416, Web: www.sivishipping.com

#### Form No. AOC-2

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

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

#### 1 Details of contracts or arrangements or transactions not at arm's length basis

S N	Name(s) of the related party and nature of relationship	Nature of contracts /arrangements /transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
Not Applicable								

#### 2 Details of material contracts or arrangement or transactions at arm's length basis

S N	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Siddhi Vinayak Weaving Private Limited (Sister of Director is Director in Company)	Interest paid @ 9% P.A.	On Demand	17,136	14.10.2016	
2	Ankita Jain (Company Secretary)	Salary	Yearly	2,85,691	20.04.2016	
3	Mustufa Haji (Chief Financial Officer)	Salary	Yearly	2,67,000	20.04.2016	
4	Amit Khandelwal (Manager)	Salary	Yearly	7,80,000	20.04.2016	

## Annexure VIII

### ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION AND R & D EFFORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

(See Rule 8 of Companies(Accounts) Rules, 2014)		
<b>A Conservation of Energy</b>		NIL
(i) the steps taken or impact on conservation of energy		
(ii) the steps taken by the company for utilising alternate sources of energy		
(iii) the capital investment on energy conservation equipment		
<b>B Technology absorption</b>		NIL
(i) the efforts made towards technology absorption		
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution		
(iii) in case of imported technology (imported during last three years reckoned from the beginning of the financial year)		
a The details of technology imported		
b the year of import		
c whether the technology been fully absorbed		
d if not fully absorbed areas where absorption has not taken place& reasons thereof		
(iv) the expenditure incurred on research & development.		
<b>C Foreign Exchange</b>		
<b>Details of Earning in Foreign Exchange</b>		
	<u>Current</u> <u>Year</u>	<u>Previous</u> <u>Year</u>
Export of goods calculated on FOB basis		
Interest and dividend		
Royalty		
Know- how		
Professional & consultation fees		
Other income		
<b>Total Earning in Foreign Exchange</b>	NIL	NIL
<b>Details of Expenditure in Foreign Exchange</b>		
Import of goods calculated on CIF basis		
(i)raw material		
(ii)component and spare parts		
(iii)capital goods		
Expenditure on account of		
(i) Royalty		
(ii) Know- HOW		
Professional & consultation fees		
Interest		
Other matters		
Dividend paid		
<b>Total Expenditure in foreign exchange</b>	NIL	NIL

**CERTIFICATION BY THE CHIEF FINANCIAL OFFICER ON FINANCIAL STATEMENTS  
OF THE COMPANY**

I, Mustafa Moiz Haji, Chief Financial Officer of Siddhi Vinayak Shipping Corporation Limited, certify that:

- (a) I/We have reviewed the financial statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best our knowledge the belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) I/ We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
  - (i) There has not been any significant change in internal control over financial reporting during the year under reference ;
  - (ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements ; and
  - (iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the company's internal control system over financial reporting.

**By order of Board of Directors**

**Date: 05<sup>th</sup> August, 2017**  
**Place: Surat**

Sd/-  
**Mustafa Moiz Haji**  
**Chief Financial Officer**

# **R Kejriwal & Co.**

## **Chartered Accountants**

2, Aastha, 2/906, Hira Modi Sheri, Opp. Gujarat Samachar Press, Ring Road, Surat-395002  
E-mail - [auditrkejriwal@gmail.com](mailto:auditrkejriwal@gmail.com) Ph-0261-2355984

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### **INDEPENDENT AUDITORS' REPORT**

**TO,  
THE MEMBERS OF  
SIDDHI VINAYAK SHIPPING CORPORATION LIMITED**

#### **Report on the Financial Statements:**

We have audited the accompanying financial statements of SIDDHI VINAYAK SHIPPING CORPORATION LIMITED (Formerly Known as Sl. VI. Shipping Corporation Limited) ("the company") which comprises the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements:**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility:**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place and adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (a) in so far it relates to the Balance Sheet, of the state of affairs of the company as at March 31 2017;  
and
- (b) in so far it relates to the Statement of Profit and Loss, of the profit/ loss for the year ended on that date;
- (c) in so far it relates to the Statement of Cash Flow, of the cash flow for the year ended on March 31 2017;

### **Report on Other Legal and Regulatory Requirements:**

1. As required by the Companies (Auditor's Report), Order, 2016 (order dated 29.03.2016), issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 (hereinafter referred to as „order"), and on the basis of test check as we considered appropriate and according to information and explanation provided to us, we enclose in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by section 143(3) of the Act, we report that:
  - 2.1 We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit
  - 2.2 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.
  - 2.3 The Balance Sheet and Profit and Loss statement dealt with by this report are in agreement with the books of account.

- 2.4 In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- 2.5 On the basis of written representations received from the directors, as on March 31, 2017, taken on record by the Board of directors, none of the directors are disqualified as on March 31, 2017 from being appointed as a director under section 164(2) of the Act
- 2.6 With respect to the adequacy of financial controls over financial reporting of the company and the operative effectiveness of such controls, refer to our separate report in "Annexure B"; and
- 2.7 With respect to the others matters to be included in the auditor's report in accordance with Rule 11 of the companies (audit and auditors) rules 2014, in our opinion and to the best of our information and according to the explanations given to us.
- (i) There were no pending litigations which would impact the financial position of the company.
  - (ii) The company did not have any material foreseeable losses on long term contracts including derivative contracts
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection fund by the company
  - (iv) The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 in accordance with the books of accounts maintained by the company.

For R Kejriwal & Co.  
Chartered Accountants.  
Firm Reg. No. 133558W  
Sd/-

Place: Surat  
Date: 26.05.2017

Vishal Joshi  
Partner  
Membership No. -427019  
PAN : AAPFR9048C

### Annexure to Auditors' Report

(Referred to in of our report of even date to the members of SIDDHI VINAYAKSHIPPING CORPORATION LTD as on the financial statements for the year ended March 31, 2017)

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we state that:

1	<b>Fixed Assets</b>	
(a)	Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	YES
(b)	Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	The management conducted physical verification of certain fixed assets in accordance with its policy of physical verification in a phased manner. In our opinion, such frequency is reasonable having regard to the size of the Company and the nature of its fixed assets. As explained to us, the discrepancies noticed on physical verification as compared to book records maintained, were not material and have been properly dealt with in the books of account.
(c)	Whether title deeds of immovable properties are held in the name of the company. If not, provide details thereof.	YES
2	<b>Inventories</b>	
	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, how they have been dealt with in the books of account;	The management conducted physical verification of inventory in accordance with its policy of physical verification in a phased manner. In our opinion, such frequency is reasonable having regard to the size of the Company and the nature of its inventory. As explained to us, the discrepancies noticed on physical verification as compared to book records maintained, were not material and have been properly dealt with in the books of account.
3	<b>Loan Granted</b>	
	Whether the company has granted any loans, secured or unsecured to companies, firms, LLPs or other parties covered in the register maintained u/s 189 of the Companies Act, 2013. If so,	YES
(a)	Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	As per explanation provided to us, YES
(b)	Whether receipt of the principal amount and interest are regular. If not provide details thereof; and	<b>R.K.Singh, Manager of the company was given interest free loan in earlier years but has not refund the amount of Rs. 8,01,506/-</b>
(c)	If overdue amount is more than rupees five lakhs, whether reasonable steps have been taken by the company for recovery of the principal and interest;	YES, Company has taken proper steps for recovery of amount. Interest was not applicable.
4	<b>Loans, Investments and guarantees</b>	
	In respect of loans, investments and guarantees, whether provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide details thereof.	As explained to us and from the records verified, the company has generally complied the provision of section 185 and 186 of The Companies Act, 2013.
5	<b>Deposit</b>	
	In case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	NA
6	<b>Cost Records</b>	
	Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained;	NA

7	<b>Statutory dues</b>	
(a)	whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-Lax, , service tax, duty of customs, duty of excise, value added tax, and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	According to the information and explanations given to us and the record examined by us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Income-tax, Sales-tax and other material Statutory Dues applicable to it. There were no arrears as at, 31st March, 2017 for a period of more than six months from the date they became payable.
(b)	Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	NA
	<b>Particulars</b>	<b>F.Y.</b>
		<b>AMOUNT (In Rs.)</b>
		<b>STATUS</b>
8	<b>Default in Repayment</b>	
	Whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported (in case of banks and financial institutions, lender wise details to be provided).	NO
9	<b>Term Loan/ Money raised</b>	
	Whether moneys raised by way of public issue/ follow-on offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays / default and subsequent rectification, if any, as may be applicable, be reported;	YES
10	<b>Fraud</b>	
	Whether any fraud by the company or any fraud on the Company by its officers/ employees has been noticed or reported during the year; If yes, the nature and the amount involved be indicated.	To the best of our knowledge and according to the information and explanations given to us, there have been no cases of fraud on or by the Company noticed or reported during the year under report
11	<b>Managerial Remuneration</b>	
	Whether managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same.	YES
12	<b>Nidhi Company</b>	
	Whether the Nidhi Company has complied with the Net Owned Fund in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining 10% liquid assets to meet out the unencumbered liability.	NA
13	<b>Related Parties Transactions</b>	
	Whether all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.	As per the information and explanation provided to us and records produced before us, the company has generally complied with the provisions.
14	<b>Preferential allotment / Private placement</b>	
	Whether the company has made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of Section 42 of the Companies Act, 2013 have been complied and the amount raised have been used for the purposes for which the funds were raised. If not, provide details thereof.	NO
15	<b>Non-cash Transactions</b>	
	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether provisions of Section 192 of Companies Act, 2013 have been complied with.	NA
16	<b>Registration with RBI</b>	
	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration is obtained.	NA

For R. Kejriwal & Co.  
Chartered Accountants

Sd/-

Vishal Joshi  
Partner  
M.No. 427019  
FRN.133558W  
Date :26.05.2017  
Place : SURAT

## **ANNEXURE - B TO THE AUDITORS' REPORT**

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

We have audited the internal financial controls over financial reporting of **SIDDHI VINAYAK SHIPPING CORPORATION LIMITED** (Formerly Known as Sl. VI. Shipping Corporation Limited) ("The Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India („ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of

management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

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

For R. Kejriwal & Co.  
Chartered Accountants  
FRN No. 133558W

Sd/-

Place: Surat.  
Date: 26.05.2017

Vishal Joshi  
Partner  
M. No. 427019  
PAN: AAPFR9048C

**SIDDHI VINAYAK SHIPPING CORPORATION LIMITED**  
**(Formerly known as Si. Vi. Shipping Corporation Limited)**  
**CIN- L35111GJ2012PLC068922**

Office Block, First Floor, PL No. 237/2 & 3, Sub PL No. A/25, Central Park Soc., G.I.D.C.Pandesara, Surat-394221  
Website: www.sivishipping.com ; Email: admin@sivishipping.com

**BALANCE SHEET AS AT 31.03.2017**

(Amount in Rs.)

(Amount in Rs.)

	Note No.	As at 31.03.2017	As at 31.03.2016
<b>EQUITY &amp; LIABILITIES</b>			
<b>I Shareholders' Funds</b>			
Share Capital	2	5,75,20,000	5,75,20,000
Reserve and Surplus	3	5,14,56,283	5,09,76,683
<b>II Share Application Money Pending Allotment</b>		-	-
<b>III Non-Current Liabilities</b>			
Long term Borrowings	4	5,83,358	28,00,020
Deferred Tax Liabilities(Net)		9,62,692	9,25,817
Other Long term Liabilities		-	-
Long term provisions		-	-
<b>IV Current Liabilities</b>			
Short term Borrowings	5	4,16,84,216	3,69,80,052
Trade payables	6	19,69,927	30,79,413
Other Current Liabilities	7	16,81,949	15,90,384
Short Term Provisions	8	2,74,614	13,13,118
<b>TOTAL</b>		<b>15,61,33,039</b>	<b>15,51,85,487</b>
<b>ASSETS</b>			
<b>I Non-Current Assets</b>			
Fixed Assets			
- Tangible Assets	9	12,14,72,954	12,22,45,833
- Intangible assets		-	-
- Capital WIP	9	1,58,91,530	1,52,41,999
- Intangible Assets under development		-	-
Non current Investments		-	-
Deferred tax assets (net)		-	-
Long term Loans and Advances	10	1,15,585	1,11,185
Other Non-Current Assets	11	29,368	44,052
<b>II Current Assets</b>			
Current Investments		-	-
Inventories	12	37,77,852	27,32,230
Trade receivables	13	1,16,33,869	1,13,89,404
Cash and bank balances	14	7,04,796	3,31,820
Short term Loans and advances	15	25,07,085	30,88,964
Other current assets			
<b>TOTAL</b>		<b>15,61,33,039</b>	<b>15,51,85,487</b>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS AS PER NOTES 1 & 22**

As per our report of even date  
For R. Kejriwal & Co.  
Chartered Accountants

For SIDDHI VINAYAK SHIPPING CORPORATION LIMITED

Sd/-  
Vishal Joshi  
Partner  
M.No. 427019  
FRN.133558W  
Date :26.05.2017  
Place : SURAT

Sd/-  
Rakesh Sarawagi  
Director  
DIN: 00005665  
  
Sd/-  
Company Secretary

Sd/-  
Sanjay Sarawagi  
Director  
DIN:00005468  
  
Sd/-  
C.F.O.

**SIDDHI VINAYAK SHIPPING CORPORATION LIMITED**  
**(Formerly known as Si. Vi. Shipping Corporation Limited)**  
**CIN- L35111GJ2012PLC068922**

Office Block, First Floor, PL No. 237/2 & 3, Sub PL No. A/25, Central Park Soc., G.I.D.C.Pandesara, Surat-394221  
Website: www.sivishipping.com ; Email: admin@sivishipping.com

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2017**

(Amount in Rs.)

(Amount in Rs.)

	Note No.	As at 31.03.2017	As at 31.03.2016
<b>Income</b>			
<b>I</b> Revenue From Operations (Net)		2,26,21,376	2,77,39,539
<b>II</b> Other income	16	27,371	30,719
<b>III TOTAL REVENUE</b>		<b>2,26,48,747</b>	<b>2,77,70,258</b>
<b>IV Expenses</b>			
Purchases	17	20,25,492	41,01,574
Changes in inventory of finished goods, work-in-progress	18	(10,45,622)	(22,69,542)
Employee benefit expense	19	1,62,69,066	1,61,13,833
Finance costs	20	15,84,563	10,94,374
Depreciation & Amortization Exp.	9	12,85,298	12,99,121
Other expenses	21	17,96,754	30,71,684
<b>V TOTAL EXPENSES</b>		<b>2,19,15,551</b>	<b>2,34,11,044</b>
<b>VI</b> Profit before Exceptional & Extraordinary items & tax		7,33,196	43,59,214
Add/(less) exceptional items		-	-
<b>VII</b> Profit before extraordinary items and tax		7,33,196	43,59,214
Add/(less) Extraordinary items		-	-
<b>VIII</b> Profit Before Tax		7,33,196	43,59,214
Tax expense			
Current Tax		1,84,614	12,68,118
Wealth Tax		-	-
Deferred Tax		36,875	79,077
Less: MAT credit entitlement		-	-
Income tax of earlier years		32,107	17,899
<b>IX Profit /(Loss) from Continuing Operations</b>		<b>4,79,600</b>	<b>29,94,120</b>
<b>X</b> Profit /(Loss) from Discontinuing Operations		-	-
Less: Tax Expenses of Discontinuing Operations		-	-
<b>XI Profit /(Loss) from Discontinuing Operations after Tax</b>		<b>-</b>	<b>-</b>
<b>XII Profit / (Loss) for the year</b>		<b>4,79,600</b>	<b>29,94,120</b>
<b>XIII Earning per Equity Share</b>			
Basic		0.08	0.52
Diluted		0.08	0.52

**See accompanying notes to the financial statement**

As per our report of even date  
For R. Kejriwal & Co.  
Chartered Accountants

For SIDDHI VINAYAK SHIPPING CORPORATION LIMITED

Sd/-

Sd/-

Sd/-

Vishal Joshi  
Partner  
M.No. 427019  
FRN.133558W  
Date :26.05.2017  
Place : SURAT

Rakesh Sarawagi  
Director  
DIN: 00005665  
  
Sd/-  
Company Secretary

Sanjay Sarawagi  
Director  
DIN:00005468  
  
Sd/-  
C.F.O.



**SIDDHI VINAYAK SHIPPING CORPORATION LIMITED**  
**(Formerly known as Si. Vi. Shipping Corporation Limited)**  
**CIN- L35111GJ2012PLC068922**

Office Block, First Floor, PL No. 237/2 & 3, Sub PL No. A/25, Central Park Soc., G.I.D.C.Pandesara, Surat-394221  
Website: www.sivishipping.com ; Email: admin@sivishipping.com

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2017**

(Amount in Rs)

	<b>01.04.2016 - 31.03.2017</b>	<b>01.04.2015 - 31.03.2016</b>
<b>A Cash flow from operating activities:</b>		
<b>Net Profit before tax as per Profit And Loss A/c</b>	<b>7,33,196</b>	<b>43,59,214</b>
Adjusted for:		
Depreciation	12,70,614	12,84,437
Interest & Finance Cost	15,84,563	10,94,374
<b>Operating Profit Before Working Capital Changes</b>	<b>35,88,373</b>	<b>67,38,025</b>
Adjusted for:		
Inventories	(10,45,622)	(22,69,542)
Trade Receivables	(2,44,465)	(57,91,953)
Loans and advances and other assets	5,81,879	(2,20,945)
Liabilities & Provisions	(20,56,425)	(5,75,628)
<b>Cash Generated From Operations</b>	<b>8,23,740</b>	<b>(21,20,043)</b>
Direct Tax Paid	2,16,721	12,86,017
<b>Net Cash Flow from/(used in) Operating Activities:</b>	<b>6,07,019</b>	<b>(34,06,060)</b>
<b>B Cash Flow From Investing Activities:</b>		
Purchase of Fixed Assets	(11,47,266)	(25,59,928)
Sale of Fixed Assets	-	-
Proceeds from other investment	10,284	(2,517)
<b>Net Cash flow from /(Used in) Investing Activities:</b>	<b>(11,36,982)</b>	<b>(25,62,445)</b>
<b>C Cash Flow from Financing Activities:</b>		
Proceeds From Share Capital & Share Premium	-	-
Proceeds From Share Application Money	-	-
Proceeds from Long Term Borrowing (Net)	(22,16,662)	(7,65,380)
Proceeds from Short-term borrowings	47,04,164	74,04,933
Interest & Financial Charges	(15,84,563)	(10,94,374)
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>9,02,939</b>	<b>55,45,179</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>3,72,976</b>	<b>(4,23,326)</b>
Cash & Cash Equivalents As At Beginning of the Year	3,31,820	7,55,147
Cash & Cash Equivalents As At End of the Year	<b>7,04,796</b>	<b>3,31,820</b>

As per our report of even date  
For R. Kejriwal & Co.  
Chartered Accountants

Sd/-  
Vishal Joshi  
Partner  
M.No. 427019  
FRN.133558W  
Date :26.05.2017  
Place : SURAT

For SIDDHI VINAYAK SHIPPING CORPORATION LIMITED

Sd/-  
Rakesh Sarawagi  
Director  
DIN: 00005665

Sd/-  
Company Secretary

Sd/-  
Sanjay Sarawagi  
Director  
DIN:00005468

Sd/-  
C.F.O.

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Website: www.sivishipping.com ; Email: admin@sivishipping.com

**NOTES FORMING PARTS OF ACCOUNT**

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**Note 1 SIGNIFICANT ACCOUNTING POLICIES :**

a. Basis of Accounting :

The financial statements have been prepared under historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act 2013, as adopted consistently by the company. The company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Fixed Assets :

Fixed assets are recorded at cost. The Company has provided depreciation on Straight Line method as per the Companies Act, 2013

c. Capital Work In Progress:

All Expenditure, incurred relating to Development of Ship Yard are accumulated and shown as Capital Work in Progress.

Service Tax Input Credit of Rs. 6,36,431 have been added back to capital work in progress, as its credit cannot be carried forward.

d. Investment :

The company has not made any investment during the year.

e. Depreciation and Amortization :

The company has provided depreciation on Straight Line Method as per companies Act, 2013 and calculation of remaining useful life is based on no of days for which asstes were put to use.

f. Impairment of Assets :

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. The company assesses at each Balance Sheet date whether there is any indication that any assets may be impaired and if such indication exists, the carrying value of such assets is reduced to its recoverable amount and a provision is made for such impairment loss in the statement of Profit & Loss A/c. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

g. Employee's Benefit :

Provident Fund, ESIC & LWF : Provident fund, ESIC and LWF contributions are made as per defined scheme and the contribution is charged to statement of Profit & Loss A/c of the year when it becomes due. The company has no other obligation other than to contribute and deposit to respective authorities.

Short term employee benefits are recognized as an expense in the statement of Profit & Loss A/c for the year in which the related service is rendered.

Long term employee benefit are recognized as an expense in the statement of Profit & Loss A/c for the year in which the employee has rendered service.

The company has not been incorporated for more than 5 years so the provision regarding employee benefit which applicable after completion of services of 5 years are not applicable during the year.

h. Deferred Revenue Expenditure :

Preliminary expenses incurred by the company in past year was related to incorporation of company. Now, 1/5th of Preliminary Expenses is written off during the year.

- i. Inventories :  
Inventories are valued at the lower of cost on FIFO basis and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overhead. Other stock is valued at estimated realizable Value.
- j. Foreign Currency Transactions :  
The company has not incurred any foreign currency transaction during the year .
- k. Lease Transactions :  
The Company has been given the possession of G.I.D.C. land on 14-08-2013, to hold the same as Licencee to make necessary construction etc. Lease Deed for 99 years will be executed by G.I.D.C. after completion of construction & subject to compliance of prescribed conditions.
- l. Revenue & Recognition :  
Income and expenditure are recognized and accounted on accrual basis as and when they are earned or incurred. Revenue from Job Work transaction is recognized as and when job work or part of it is completed.
- m. Income Tax :  
Income tax liability is ascertained on the basis of assessable profits computed in accordance with the provisions of Income-tax. Act, 1961. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of being reversal in one or more subsequent periods.  
  
Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company review the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.
- n. Contingent Liability :  
No provision is made for a liability which is contingent in nature but if material, the same is disclosed by way of notes to the accounts.
- o. Earning per Share :  
Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.
- p. Cash & cash Equivalents :  
Cash comprises cash on hand and demand deposits with banks. Cash equivalents are term deposit balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

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Website: www.sivishipping.com ; Email: admin@sivishipping.com

**NOTES FORMING PART OF FINANCIAL STATEMENT**

	(Amount in Rs.)	(Amount in Rs.)
PARTICULARS	As at 31.03.2017	As at 31.03.2016

**NOTE- 2**  
**SHARE CAPITAL**

***AUTHORIZED CAPITAL***

60,00,000 Equity shares of Rs.10 each	6,00,00,000	6,00,00,000
	6,00,00,000	6,00,00,000

***ISSUED CAPITAL***

57,52,000 Equity Shares of Rs.10/- each	5,75,20,000	5,75,20,000
	5,75,20,000	5,75,20,000

***SUBSCRIBED AND FULLY PAID UP CAPITAL***

57,52,000 Equity Shares of Rs.10/each fully paid up	5,75,20,000	5,75,20,000
	5,75,20,000	5,75,20,000

***SUBSCRIBED BUT NOT FULLY PAID UP CAPITAL***

-	-
-	-

***RECONCILIATION OF SHARES***

	As at 31.03.2017		As at 31.03.2016	
	<u>Equity Shares</u>		<u>Equity Shares</u>	
<u>Shares outstanding</u>	Number	In Rs	Number	In Rs
Shares outstanding at beginning of the year	57,52,000	5,75,20,000	57,52,000	5,75,20,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
shares outstanding at end of the year	57,52,000	5,75,20,000	57,52,000	5,75,20,000

***Shareholder(s) holding more than 5% shares***

	As at 31.03.2017		As at 31.03.2016	
	No. of shares held	% of holding	No. of shares held	% of holding
<u>Equity shares of Rs.10 each</u>				
Rakesh Sarawagi	303700	5.28%	3,03,700	5.28%
Sanjay Sarawagi	303000	5.27%	3,03,000	5.27%
Manoj Sarawagi	3261000	56.69%	32,61,000	56.69%
Govind Prasad Sarawagi	300000	5.22%	3,00,000	5.22%

***Shares allotted for consideration other than cash(for period of five years preceding the B/S date)***  
NIL

***Unpaid calls***

	As at 31.03.2017	As at 31.03.2016
By Directors	Nil	Nil
By Officers	Nil	Nil

***Terms/rights attached to shares:***

The Equity shares have a face value of Rs 10 per share. Each holder of share is entitled to one vote per share. In the event of liquidation of company all shareholders will be entitled to receive remaining assets of the company after distribution of all preferential amounts in proportion to the shares held by them.

**NOTE 3****RESERVE & SURPLUS****Securities Premium Account**

	As at 31.03.2017	As at 31.03.2016
Opening balance	4,11,30,000	4,11,30,000
Add: Credited during the year	-	-
Less: Utilized during the year	-	-
Closing Balance (A)	4,11,30,000	4,11,30,000

**Surplus**

Opening balance	98,46,683	68,52,563
(+)Net Profit/Net Loss	4,79,600	29,94,120
(+)Transfer from reserves	-	-
(-)Issue of bonus shares	-	-
(-)Proposed dividends	-	-
(-)Transfer to reserves	-	-
Closing Balance (B)	1,03,26,283	98,46,683
<b>Total Reserves &amp; Surplus (A+B)</b>	<b>5,14,56,283</b>	<b>5,09,76,683</b>

**NOTE 4****LONG TERM BORROWINGS****Term Loan:***From Banks:**Secured:*

Term Loan (UBI)

5,83,358 28,00,020

*(The term loan is secured by equitable mortgage of Plant & machinery. There is personal guarantee of all the directors. The term loan is to be repaid in 60 monthly instalments of Rs 116667/- excluding moratorium of six months from 1st disbursement. Interest to be recovered as (Vehicle Term Loans are taken from various Banks and are secured by hypothecation of respective vehicle*

<b>5,83,358</b>	<b>28,00,020</b>
-----------------	------------------

**Maturity Table of Term loan**

Maturity pattern of term loans	0-1 years	1-2 years	2-3 years	Beyond 3 years
Amount in Rs	14,90,877	5,83,358	-	-

**NOTE 5****SHORT TERM BORROWINGS****Loans repayable on demand:***From banks:**Secured:*

Union Bank of India (C.C.)

12,87,613 16,34,741

*(Secured by hypothecation of Stock and book Debts. There is personal guarantee of all the directors.& Sactioned Limit is Rs 30.00 Lakhs)*

**Loans & Advances from related party & others:**

Unsecured Loan

4,03,96,603 3,53,45,311

<b>4,16,84,216</b>	<b>3,69,80,052</b>
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**Additional disclosure**

Promoter Director	3,18,29,000	3,18,29,000
Other officers of the company	-	-
Firm in which director is a partner	-	-
Pvt company in which director is a member	-	-
	<b>3,18,29,000</b>	<b>3,18,29,000</b>

**NOTE 6****TRADE PAYABLES**

Creditors for Goods	1,65,866	15,74,336
Creditors for Expenses	7,73,933	5,03,826
Creditors for Salary	9,85,954	10,77,348
Creditors for Assets	44,174	(76,097)
	<b>19,69,927</b>	<b>30,79,413</b>

**NOTE 7****OTHER CURRENT LIABILITIES*****Current Maturities of Long Term Debts:***

Kotak Mahindra Bank Bus Loan	-	86,069
UBI Term Loan	14,00,004	5,83,334
BOB Car Loan -SCORPIO	90,873	3,50,310

***For Employee Benefits:***

E.S.I.C. Payable	49,419	17,777
Professional Tax Payable (Employee)	11,670	12,780
Provident Fund Payable	50,249	63,094

***For Taxes & Duties***

Service Tax Payable	-	4,25,845
Swachh Bharat Cess	-	15,207
TDS Payable	79,734	35,968

<b>16,81,949</b>	<b>15,90,384</b>
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**NOTE 8****SHORT TERM PROVISIONS**

Audit Fees Payable	90,000	45,000
Provision for Tax	1,84,614	12,68,118

<b>2,74,614</b>	<b>13,13,118</b>
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**NOTE 10****LONG TERM LOANS AND ADVANCES*****Security Deposit:***

Sales Tax Deposit	45,000	45,000
Security & Labour Lic. Deposit	62,325	54,225
Gas Bottle Deposit	8,260	11,960

<b>1,15,585</b>	<b>1,11,185</b>
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**NOTE 11****OTHER NON CURRENT ASSETS**

Preliminary Expenses	44,052	58,736
Less: Written off	14,684	14,684

<b>29,368</b>	<b>44,052</b>
---------------	---------------

**NOTE 12****INVENTORIES**

Stores & Spares	5,77,852	24,32,230
Work in Progress	32,00,000	3,00,000

<b>37,77,852</b>	<b>27,32,230</b>
------------------	------------------

**NOTE 13****TRADE RECEIVABLES**

Debt outstanding for more than Six Months	75,38,557	26,92,691
Debt outstanding for less than Six Months	40,95,312	86,96,713

<b>1,16,33,869</b>	<b>1,13,89,404</b>
--------------------	--------------------

## NOTE 14

**CASH AND CASH EQUIVALENT**

Cash in Hand	1,90,823	2,07,925
Balances With Scheduled Bank	5,13,973	1,23,895
	<b>7,04,796</b>	<b>3,31,820</b>

## NOTE 15

**SHORT TERM LOANS AND ADVANCES*****Others:******Others, considered good:***

Fixed Deposit(Lien marked for Bank Guarantee)	3,83,886	3,42,798
Flat Deposit	40,000	55,000
Water Deposit	1,000	1,000
Van Rent Deposit	-	45,000
Prepaid Expenses(Insurance)	49,579	25,537
Service Tax Input	2,55,182	1,59,287
Service Tax Input(Dahej)	-	6,36,431
Advance Tax	4,50,000	6,00,000
TDS Unadjusted	-	300
TDS Receivables	5,25,932	4,22,105

***Others, considered doubtful:***

Rakesh Kumar Singh	8,01,506	8,01,506
(Rakesh Kumar Singh was manager of the Company. Company has initiated legal proceedings for recovery of the amount.)		

<b>25,07,085</b>	<b>30,88,964</b>
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**SIDDHI VINAYAK SHIPPING CORPORATION LIMITED**  
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ANNUAL REPORT 2016-17

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**SCHEDULES FORMING PART OF FINANCIAL STATEMENT**

**NOTE 9**

(Amount in Rs.)

**PARTICULARS**

As at 31.03.2017

**FIXED ASSETS AND DEPRECIATION AS ON 31.03.2017**

Description	Gross Block				Depreciation				Net Block	
	Opening Balance	Addition	Deduction	As At 31.03.2017	Opening Balance	For the Period	Adjust ment	As At 31.03.2017	As At 31.03.2017	As At 31.03.2016
Air conditioner	49,000			49,000	10,321	3,202		13,523	35,477	38,679
Attendance Device	38,500			38,500	6,689	2,481		9,170	29,330	31,811
Bicycle	4,700			4,700	1,296	461		1,757	2,943	3,404
Car EECO	4,29,208			4,29,208	1,68,204	53,343		2,21,547	2,07,661	2,61,004
Car SCORPIO	13,64,162			13,64,162	5,64,042	1,70,806		7,34,848	6,29,314	8,00,120
Computer	3,31,349	34,475		3,65,824	2,60,993	19,267		2,80,260	85,564	70,356
Container	5,80,400			5,80,400	1,27,277	37,529		1,64,806	4,15,594	4,53,123
Drill Machine	32,375			32,375	6,433	2,083		8,516	23,859	25,942
Furniture & Fixtures	2,72,909			2,72,909	86,063	27,787		1,13,850	1,59,059	1,86,846
Grinding Machine	1,76,552	-		1,76,552	28,365	11,309		39,674	1,36,878	1,48,187
Hitachi Cutting Machine	7,650			7,650	1,207	488		1,695	5,955	6,443
HD Manual Hand Torch	31,605			31,605	2,275	2,001		4,276	27,329	29,330
Kawasaki Chain Pully Block Mac	6,773			6,773	949	430		1,379	5,394	5,824
Mig Machine	1,00,74,387			1,00,74,387	19,37,426	6,47,582		25,85,008	74,89,379	81,36,961
Mobile	65,350			65,350	11,410	4,180		15,590	49,760	53,940
Numatic/Air Grinder	23,194			23,194	4,622	1,493		6,115	17,079	18,572
Overlay ID Station	-	2,40,030	-	2,40,030	-	2,206		2,206	2,37,824	-
Plasma Cutter	2,57,250			2,57,250	57,310	16,654		73,964	1,83,286	1,99,940
Power Max	-	2,23,230	-	2,23,230	-	13,124		13,124	2,10,106	-
Staff Bus	17,74,804			17,74,804	7,44,440	2,13,293		9,57,733	8,17,071	10,30,364
Taper Drill	13,145			13,145	2,211	840		3,051	10,094	10,934
Tig Machine	6,20,880			6,20,880	1,30,587	40,055		1,70,642	4,50,238	4,90,293
<b>Segment II (Ship Yard)</b>										
<b>Lease Hold</b>										
Land (Dahej)	11,02,43,760	-	-	11,02,43,760	-	-		-	11,02,43,760	11,02,43,760
Capital Work in Progress	1,52,41,999	6,49,531	-	1,58,91,530	-	-		-	1,58,91,530	1,52,41,999
<b>TOTAL</b>	<b>14,16,39,952</b>	<b>11,47,266</b>	<b>-</b>	<b>14,27,87,218</b>	<b>41,52,120</b>	<b>12,70,614</b>	<b>-</b>	<b>54,22,734</b>	<b>13,73,64,484</b>	<b>13,74,87,832</b>
Previous Year	13,90,80,024	25,59,928	-	14,16,39,952	28,67,683	12,84,437	-	41,52,120	13,74,87,832	13,62,12,341



**NOTE 16****OTHER INCOME*****Interest Income:***

Others Income	50	-
Interest On Fixed Deposit	27,321	19,776
Interest on IT Refund	-	10,943
	<b>27,371</b>	<b>30,719</b>

**NOTE 17****PURCHASES**

Consumable Store	20,09,324	40,53,825
Safety Material Purchase Exp.	16,168	47,749
	<b>20,25,492</b>	<b>41,01,574</b>

**NOTE 18****(INCREASE)/ DECREASE IN INVENTORY**

Closing Stock of Goods	5,77,852	24,32,230
Less: Opening Stock of Goods	24,32,230	4,62,688
	<b>18,54,378</b>	<b>(19,69,542)</b>
Work In Progress	32,00,000	3,00,000
Less: Opening WIP	3,00,000	-
	<b>(29,00,000)</b>	<b>(3,00,000)</b>
	<b>(10,45,622)</b>	<b>(22,69,542)</b>

**NOTE 19****EMPLOYEE BENEFIT EXPENSES**

Salary Expenses	1,24,58,640	1,37,94,473
Staff Welfare Expenses	12,05,897	4,71,723
Bonus Expenses	11,73,310	8,08,380
ESIC Expense	1,69,276	2,57,660
Labour Welfare Fund	1,738	941
Provident Fund	2,58,626	5,48,493
Worker Insurance Expenses	55,572	73,969
Transport for Staff	6,31,757	1,58,194
Flat Rent	3,14,250	-
	<b>1,62,69,066</b>	<b>1,61,13,833</b>

**NOTE 20****FINANCE COST**

Bank Charges	26,696	56,494
Bank Interest	2,38,342	3,73,140
Bank Interest (Term Loan)	3,81,011	5,90,283
Loan Processing Charges	57,250	56,334
Interest on Unsecured Loans	8,81,264	18,123
	<b>15,84,563</b>	<b>10,94,374</b>

**NOTE 21****OTHER EXPENSES****Payment to Auditor:**

As Auditors	50,000	50,000
<b>Insurance Expense</b>	91,078	41,841
<b>Repairs to Building &amp; Machinery</b>	50	26,885
<b>Miscellaneous Expenditure:</b>		
Advertisement Expense	49,725	40,361
Conveyance Expense	-	20,858
Computer Expenses	1,440	-
Donation Exp	1,000	12,100
Interest on Late payment of Taxes	15,006	2,695
Legal & Professional Fees	7,36,568	16,17,790
Medicine Expense	45,195	9,078
Office & General Expense	1,72,997	1,28,436
Postage Expense	3,227	879
Penalty on PF, TDS, ST	826	1,953
Revenue & Maintenance Exp	1,642	5,74,190
Vehicle Exp.	2,20,150	2,08,169
Vehicle Maintenance	1,19,926	1,60,173
Stationery Expense	49,377	49,904
Service Tax Expenses	57,506	-
Service Tax Reversal Expenses	4,029	-
Swachh Bharat Cess Reversal Expenses	3,490	2,379
Tax & Duty	2,400	4,400
Travelling Expenses	44,612	38,206
Transportation Expenses	68,475	31,333
Telephone Expense	58,035	50,054
	<b>17,96,754</b>	<b>30,71,684</b>

**NOTE 22**

a. Balances of Loans and Advances, Debtors, Creditors & Bank are subject to confirmation and reconciliation.

<b>b.</b>	<u>Auditors Remuneration</u>	C. Year	P. Year
	As Auditors	50000	50000
	<b>TOTAL:</b>	<b>50000</b>	<b>50000</b>

c. Related Party Disclosure (AS 18)

Based on the details as provided by the management:

Name of the related party and description of relationship:

Key Managerial Personnel (KMP) & Director

Manoj Kumar Sarawagi (Executive Director)  
 Sanjay Kumar Sarawagi (Executive Director)  
 Rakesh Kumar Sarawagi (Executive Director)  
 Ruchita Amit Mittal (Independent Woman Director)  
 Pratibha Pankaj Gulgulia (Independent Woman Director)  
 Mahesh Saboo (Independent Director)

Ankita Jain (Company Secretary)  
 Mustufa Haji (Chief Financial Officer)  
 Amit Khandelwal (Manager)

Relatives of KMP & Director

Govind Prasad Sarawagi  
 Kanta Devi Sarawagi  
 Sarla Sarawagi  
 Sandhya Sarawagi  
 Sujata Sarawagi  
 Meena Tibrewal  
 Mansi Sarawagi (Minor)  
 Tanya Sarawagi  
 Parth Sarawagi (Minor)  
 Hardik Sarawagi  
 Chaheti Sarawagi (Minor)  
 Teshima Sarawagi (Minor)  
 Hridan Sarawagi (Minor)

Arjun Amit Khandelwal (Minor)  
 Jyoti Amit Khandelwal  
 Prem Kumar Khandelwal  
 Mira Khandelwal  
 Charul Gupta  
 Shilpa Ranade  
 Ashok Kumar Jain  
 Kiran Jain  
 Nikita Anuj Mehta  
 Batul Mustufa Haji  
 Alifiya Mustufa Haji  
 Murtaza Mustufa Haji  
 Rehana Moizbhai Haji  
 Moiz Fakharuddin Haji

Enterprises owned or significantly influenced by KMP or their relatives:

Sanjay Sarawagi HUF  
 Manoj Sarawagi HUF  
 Rakesh Sarawagi HUF  
 Govind Prasad Sarawagi HUF  
 Rose Commotrade LLP  
 Hi Choice Trading LLP  
 Surat Realators Pvt Ltd  
 Divyashakti Trading LLP  
 Hi Tech Merchandise LLP  
 Lansdown Dealers LLP  
 Star mark trading LLP  
 Prabha Distributors LLP  
 Siddhi Vinayak Silk Mills Private Limited  
 Shri Siddhi Vinayak Fashions LLP  
 Anmol Tradelink Private Limited  
 Lifeline Agencies Private Limited  
 Siddhi Vinayak Weaving Private Limited  
 S.V Plantation Private Limited  
 Siddhi Vinayak Polyfab Private Limited  
 Siddhi Vinayak Knots & Prints Private Limited  
 Tapti Valley Education Foundation  
 J-10 Green infrastructure  
 Urban india  
 Krishnakali Couture Private Limited  
 Siddhi Vinayak Trendz Private Limited  
 Siddhi Vinayak Sanrachna LLP

Details of transactions carried out with related parties in the year in ordinary course of business:

S. No.	Name of party	Relationship	Nature of	Amount	Amount outstanding at year end
1	Manoj Sarawagi	Director	Loan taken Loan repaid	- -	62,24,000
2	Sanjay Sarawagi	Director	Loan taken Loan repaid	5,00,000 5,00,000	2,56,05,000
3	Siddhi Vinayak Weaving Private Limited	Sister of Director is Director in Company	Loan taken Loan repaid Interest Paid	43,00,000 43,00,000 17,136	-
4	Ankita Jain	Company Secretary	Salary	2,85,691	19,992
5	Mustufa Haji	Chief Financial Officer	Salary	2,67,000	24,800
6	Amit Khandelwal	Manager	Salary	7,80,000	64,800

d. Final Accounts has been prepared on Going Concern assumption.

e. Basic & Diluted EPS	As at 31.03.2017	As at 31.03.2016
Basic:		
Profit after tax as per accounts	4,79,600	29,94,120
Weighted average number of shares outstanding	57,52,000	57,52,000
Basic EPS	0.08	0.52
Diluted:		
Profit after tax as per accounts	4,79,600	29,94,120
Weighted average number of shares outstanding	57,52,000	57,52,000
Add: Weighted average no. of potential equity shares	-	-
Weighted average no. of shares o/s for diluted EPS	57,52,000	57,52,000
Diluted EPS	0.08	0.52

f. Depreciation as per Income Tax Rules	13,89,949
Depreciation as per Companies Act	12,70,614
Timing Difference	1,19,335
Tax on diff @ 30.90%	36,875

g. Disclosure under Sec 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED):

The principal amount and the interest thereon due to any supplier as at the year end	The amount of payment made to the supplier beyond the appointed day and the interest thereon, during the year	The amount of interest due and payable for the period of delay in making payment	The amount of interest accrued and remaining unpaid at the end of the year	The amount of further interest remaining due and payable in the succeeding year
NIL	NIL	NIL	NIL	NIL

Dues to the Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information by the management. This has been relied upon by the auditors.

h. As per AS 17- Segment Reporting, Segment information has to be provided when the company has more than one reportable business segment. The company has two segments:

- Fabrication
- Shipyards

As during the year no activity or business has been carried out in Ship yard, no separate segment reporting has been done except identification of segment wise assets.

i. Figures of previous year have been regrouped and rearranged wherever necessary.

j. Details of value of Imports, Earnings in foreign Currency and expenditure in foreign currency: NIL

For R. Kejriwal & Co.  
Chartered Accountants

For SIDDHI VINAYAK SHIPPING CORPORATION LIMITED

Sd/-

Vishal Joshi  
Partner  
M.No. 427019  
FRN.133558W  
Date :26.05.2017  
Place : SURAT

Sd/-

Rakesh Sarawagi  
Director  
DIN: 00005665

Sd/-  
Company Secretary

Sd/-

Sanjay Sarawagi  
Director  
DIN:00005468

Sd/-  
C.F.O.

**SIDDHI VINAYAK SHIPPING CORPORATION LIMITED**  
**(Formerly known as Si. Vi. Shipping Corporation Limited)**  
**CIN- L35111GJ2012PLC068922**

Office Block, First Floor, PL No. 237/2 & 3, Sub PL No. A/25, Central Park Soc., G.I.D.C.Pandesara, Surat-394221  
Website: [www.sivishipping.com](http://www.sivishipping.com) ; Email: [admin@sivishipping.com](mailto:admin@sivishipping.com)

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**Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016**

	SBNs	Other denominati on notes	Total
Closing cash in hand as on 08.11.2016	-	5,12,340	5,12,340
(+) Permitted receipts	-	1,50,000	1,50,000
(-) Permitted payments	-	5,38,689	5,38,689
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	1,23,651	1,23,651

Sd/-  
Rakesh Sarawagi  
Director  
DIN: 00005665

Sd/-  
Sanjay Sarawagi  
Director  
DIN:00005468

Sd/-  
Company Secretary

Sd/-  
C.F.O.



## Siddhi Vinayak Shipping Corporation Limited

Regd Office: Office Block, First Floor, Pl No.237/2&3 Sub PL No. A/25 Central Park Society, GIDC, Pandesara, Surat-394221.  
 Web:- [www.sivishipping.com](http://www.sivishipping.com) , Email:- [admin@sivishipping.com](mailto:admin@sivishipping.com) , Contact No.:- 0261-2894415/16.

### Attendance Slip

Record of Attendance at the 6<sup>th</sup> ANNUAL GENERAL MEETING held on Thursday, 14<sup>th</sup> September, 2017 at 11:30 am at Office Block, First Floor, Pl No.237/2&3 Sub PL No. A/25 Central Park Society, GIDC, Pandesara, Surat-394221

Please complete this attendance slip and Handover at the Entrance of the meeting Venue.

TO BE USED ONLY WHEN THE FIRST NAMED SHAREHOLDER ATTENDS

PLEASE GIVE NAME OF THE FIRST NAMED SHARE HOLDER
NAME OF THE SHAREHOLDER OR PROXY OR REPRESENTATIVE ATTENDING THE MEETING

Mr./Mrs./Ms. .... (In Capitals) Members' Folio No. .... Signature..... (in case the shares are held in Demat Mode) DP ID..... Client ID.....
---

Mr./Mrs./Ms. ....  
 ..... Members' Folio No..... No. of Shares  
 Held.....

Dated:                      , 2017

## Form No. MGT-11

### Proxy form

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

CIN:

Name of the company:

Registered office:

Name of the member(s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name:

Address:

E-mail Id:

Signature:

**or failing him**

2. Name:

Address:

E-mail Id:

Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the .....Annual general meeting/ Extraordinary general meeting of the company, to be held on the ..... day of..... at..... a.m. / p.m. at.....(place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1.....

2.....

3.....

Affix a Re. 1 Revenue Stamp
--------------------------------------

Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

## POSTAL BALLOT FORM

1. Name(s) of Member(s) :  
(Including joint holders, if any)
2. Registered address of the :  
Sole/first named Member
3. Registered folio No./ :  
DP ID No./Client ID No.\*  
(\*Applicable to investors holding  
Shares in dematerialized form)
4. Number of Shares held :
5. I/We hereby exercise my/our vote in respect of the Special Resolution to be passed through Postal Ballot for the Business stated in the Postal Ballot Notice and Explanatory Statement annexed thereto by sending my/our assent (FOR) or dissent (AGAINST) to the said resolution by placing the tick (✓) mark at the appropriate box below:

Item No.	Item	Nature of Resolution	No. of shares	I/We dissent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)	(ABSTAIN)
1	Adoption of Accounts	Ordinary				
2	App. of Director Mr. Rakesh Sarawagi liable to retire by rotation	Ordinary				
3	App. of Auditors	Ordinary				
4	Approval of Material Related Party Transaction	Special				

Place:

Date:

.....

(Member)

### ELECTRONIC VOTING PARTICULAR

EVSN (E VOTING SEQUENCE NUMBER)	USER ID	PASSWORD/PIN
170811010		

e-Voting shall remain open till Wednesday, 13<sup>th</sup> September, 2017 till the close of working hours (i.e.17:00hours).

Note: Please read the instructions printed overleaf carefully before exercising your vote.