



SEAMEC LIMITED

A member of **MMG™**

SEAMEC/BSE/SMO/0109/2020

September 1, 2020

BSE Limited
Phirojee Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001

Trading Symbol: 526807

Sub: Integrated Annual Report for the financial year 2019-20 including Notice of Annual General Meeting

Dear Sir/ Madam,

Pursuant to Regulation 30 and 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Integrated Annual Report of the Company for the financial year 2019-20 including the Notice convening Annual General Meeting (AGM).

Notice of the 33rd AGM and Integrated Annual Report for the financial year 2019-20 can also be downloaded from website of the Company www.seamec.in.

Kindly take the same on record.

Thanking you,

Yours Faithfully,
For SEAMEC LIMITED

S.N. Mohanty
President - Corporate Affairs, Legal and Company Secretary



SEAMEC LIMITED

**CHALLENGES AS
CHANCES.**

**OBSTACLES AS
OPPORTUNITIES.**



**ANNUAL
REPORT
2019-20**

CONTENTS

Corporate Overview	02-18	Statutory Reports	20-82	Financial Statements	84-183
Know us Better	02	Notice	20	Standalone	
Ensuring Strong Sails, Delivering Strong Growth	06	Directors' Report	28	Independent Auditor's Report	84
Our Key Differentiators	08	Report on Corporate Governance	57	Balance Sheet	92
A Convenient Lifestyle that Requires Challenging Operations	10	Management Discussion and Analysis Report	73	Statement of Profit and Loss	93
From the Chairman's Desk	12	Business Responsibility Report	76	Cash Flow Statement	94
Board of Directors	14			Statement of Changes in Equity	96
Guided by Sustainability	16			Notes to Financial Statements	98
Human Resources	18			Consolidated	
				Independent Auditor's Report	133
				Balance Sheet	138
				Statement of Profit and Loss	139
				Cash Flow Statement	140
				Statement of Changes in Equity	142
				Notes to Financial Statements	144

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Sanjeev Agrawal, Chairman
Mr. Surinder Singh Kohli
Mrs. Seema Modi
Mr. Deepak Shetty
Mr. Naveen Mohta
Mr. Subrat Das

AUDIT COMMITTEE

Mr. Deepak Shetty, Chairman
Mr. Surinder Singh Kohli
Mrs. Seema Modi
Mr. Subrat Das

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mrs. Seema Modi, Chairperson
Mr. Sanjeev Agrawal
Mr. Naveen Mohta

NOMINATION & REMUNERATION COMMITTEE

Mr. Surinder Singh Kohli, Chairman
Mr. Sanjeev Agrawal
Mrs. Seema Modi
Mr. Deepak Shetty

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Sanjeev Agrawal, Chairman
Mr. Deepak Shetty
Mrs. Seema Modi

CORE COMMITTEE

Mr. Sanjeev Agrawal
Mr. Anant Agrawal
Mr. Naveen Mohta
Mr. S. N. Mohanty
Mr. Rajeev Goel
Mr. Subrat Das
Mr. Vinay Kumar Agarwal

PRESIDENT - CORPORATE AFFAIRS, LEGAL & COMPANY SECRETARY

Mr. S. N. Mohanty

AUDITORS

T.R. Chadha & Co LLP
Chartered Accountants
502, Marathon Icon,
Off Ganpatrao Kadam Marg,
Opposite Peninsula Corporate Park,
Lower Parel,
Mumbai - 400 013

BANKERS

IDBI Bank Limited
Punjab National Bank
HDFC Bank Limited

REGISTRARS & SHARE TRANSFER AGENTS

C B Management Services (P) Ltd.
P-22, Bondel Road, 2nd Floor,
Kolkata - 700 019
Tel: (033) 4011 6700 / 6711 / 6723
Fax: (033) 4011 6739
Email: rta@cbmsl.com

REGISTERED & CORPORATE OFFICE

A 901-905, 9th Floor, 215 Atrium,
Andheri Kurla Road,
Andheri East, Mumbai - 400 093
Tel: (022) 6694 1800
Fax: (022) 6694 1818
Email: contact@seamec.in
Website: www.seamec.in
CIN: L63032MH1986PLC154910

CHIEF FINANCIAL OFFICER

Mr. Vinay Kumar Agarwal

Technology blended with human face is the nature of our business. All the advancements in technologies reduce human intervention and thereby assist in taking right decisions. But the decision has to be taken by highly skilled individual or teams – be it the men on ship or men underwater. The business is highly capital intensive and needs continuous upgradation of resources so that we don't lose our edge. At the core of our competitiveness is our **edge** – our unmatched assets. Our business is correlated with the oil prices and state of world economy. Presently, both are subdued and hence poses a **challenge** for us but at the same time offers us **chances**. Nevertheless, the services we offer are core necessity for oil majors to maintain their offshore infrastructure. A lot of new vendors are coming to India due to depressed conditions elsewhere creating lot of obstacles. However, we are carving out new paths for ourselves to surmount these obstacles to create new **opportunities** for us. Today this perspective has become part of our corporate ethos, and we view **Challenges as Chances, Obstacles as Opportunities**.



KNOW US BETTER

Seamec Limited (SEAMEC), is an established, reputed name in the offshore shipping industry, providing offshore oilfield services and Diving Support Vessels (DSV) in India and abroad. We provide DSVs and Turnkey subsea solutions requiring provision of Divers and ROVs etc., as well as third party vessel management services for DSVs.

SEAMEC is an **ISO 9001:2015, ISO 14001:2015 and ISO 18001:2007** certified Company, which conforms to Quality, Health, Safety, Environmental (QHSE) standards and occupational health along with Shore Based Management system.

SEAMEC owns and operates four multi-support vessels for the provision of diving services, manned and unmanned subsea operations and related activities. Besides, SEAMEC has tie-ups with various other ship owners for taking their vessel on charter and executing lumpsum / day rate based assignments where SEAMEC undertakes the complete project management. The Company has recently diversified from its offshore shipping vertical to main fleet shipping vertical by acquiring bulk carriers of various sizes. Today, SEAMEC operates in two distinct verticals of shipping business – Offshore Shipping and Main Fleet Shipping. At the core of our operations are robust infrastructure, a strong team of dedicated highly skilled marine and diving management personnel, technical personnel, crewing and procurement officers. Today, SEAMEC's footprints are all around the globe.

The Company is managed by Board of Directors comprising eminent personalities from diverse fields.

OFFSHORE SHIPPING

SEAMEC's offshore fleets include SEAMEC I, SEAMEC II, SEAMEC III and SEAMEC PRINCESS which are multi-support, multi-functional DSVs. Offshore Shipping contribute bulk of the revenue and profit of the Company.



BULK CARRIERS

To diversify our income streams, the Company has entered the bulk carrier segment in the year 2017. The Company along with its wholly owned subsidiary possesses three bulk carriers that facilitate marine transportation of various dry-bulk materials, including food staples, commodities, industrial products and scrap. Out of these three bulk carriers, Seamec Gallant operates under SEAMEC while Marine Fortune and MS Good Hope, are owned and operated by Seamec International FZE, our wholly-owned subsidiary.


SEAMEC GALLANT

Purchased in 2017


GOOD HOPE

Purchased in 2018


MARINE FORTUNE

Purchased in 2019

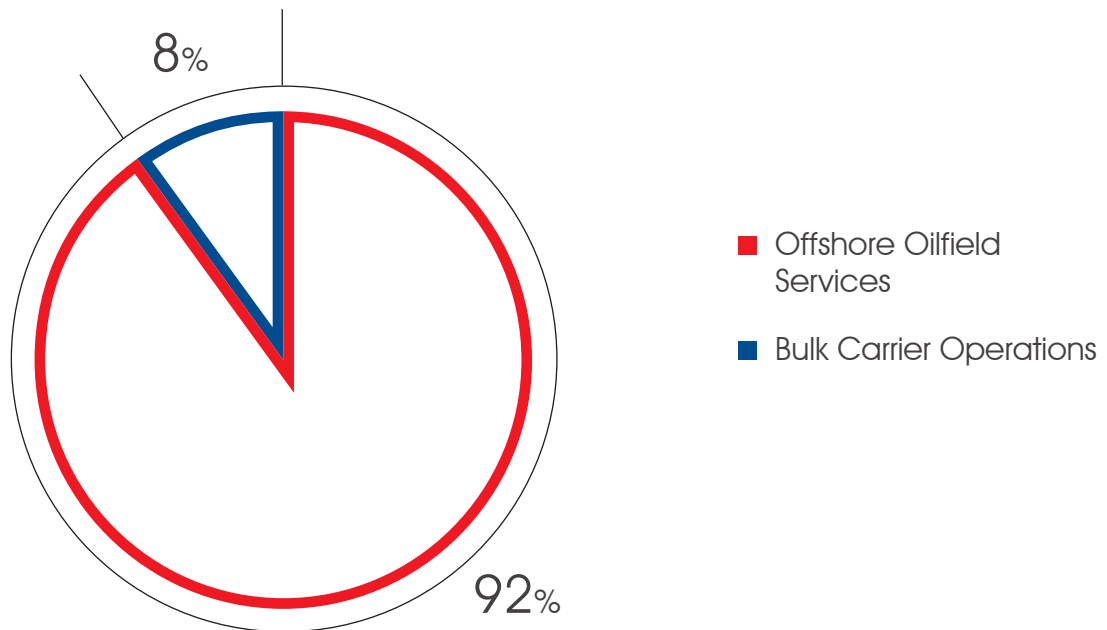
BULK CARRIER DETAILS

Vessel	Built-Year	Category	Tonnage Capacity (Tons)
SEAMEC GALLANT	2011	Handymax	32,289
MS GOOD HOPE	2010	Supramax	56,755
MARINE FORTUNE	1998	Panamax	72,400



KNOW US BETTER

REVENUE BREAK-UP FY 2019-20 (STANDALONE)



MARQUEE CLIENTS



OIL & NATURAL GAS
CORPORATION LTD.



L&T HYDROCARBON
ENGINEERING LTD



NPCC



TECHNIP



POSH SUBSEA PTE LTD.



KREUZ SUBSEA PTE LTD.

SHAREHOLDING**SEAMEC is a subsidiary of HAL Offshore Limited (HAL)**

HAL is a leading, end-to-end solutions provider of underwater services and provides EPC services to the Indian Oil and Gas industry. HAL is also engaged in Charter hire of Diving Support Vessels in Mumbai High areas, undertaking diving, fire-fighting, material logistic activities etc. Over the years, HAL has developed a diversified portfolio for undertaking Turnkey projects involving sub-sea and marine services as an EPC Contractor. HAL and SEAMEC in combination represents a formidable force to reckon with.

HAL is also the owner of MSV HAL Anant along with OSV HAL Supporter and HAL Goodman.

Cumulatively, the Promoter Company and SEAMEC hold the biggest fleet for MSV/DSV in the Asia-Pacific region.

Presently, the aggregate shareholding of HAL along with members of Promoter Group account for 71.51% of total equity share capital of the Company.

LISTING**SEAMEC is listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)****Seamec International FZE, our Wholly Owned Subsidiary**

Seamec International FZE was established with limited liability with Dubai Airport Free Zone Authority, Government of Dubai on March 14, 2010. The share capital of the Establishment as on March 31, 2020 is AED 3,000,000 (AED Three Million Only) (Equivalent USD 817,440) divided into 3 shares of AED 1,000,000 each held by Seamec Limited, India.

The principal activities of the Establishment is Ship Charter, Ship Management & Operation and Shipping Lines of Freight & Passengers Transportation. It has now emerged in active operations through its two bulk carriers namely: Supramax Bulk Carrier named 'MS GOOD HOPE' and Panamax 'MARINE FORTUNE'.

The Establishment is professionally managed by the Board of Directors in compliance with the regulations of Dubai, UAE. The Board comprises following persons as nominees of Parent Company:

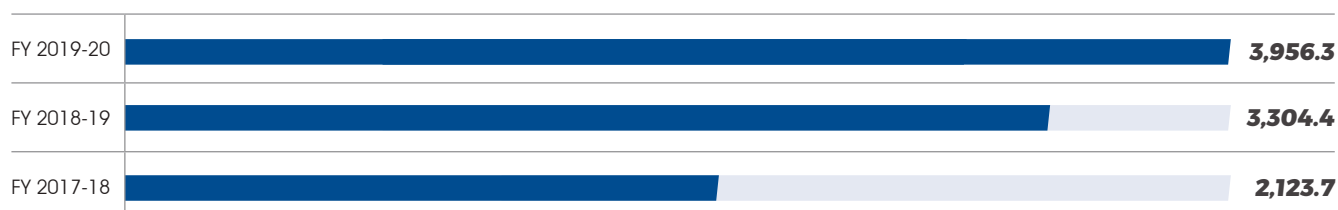
- 1. Mr. Sanjeev Agrawal**
Chairman
- 2. Mr. S.N. Mohanty**
Director
- 3. Mr. Rajeev Goel**
Director
- 4. Mr. Rone Manapuzha**
Manager



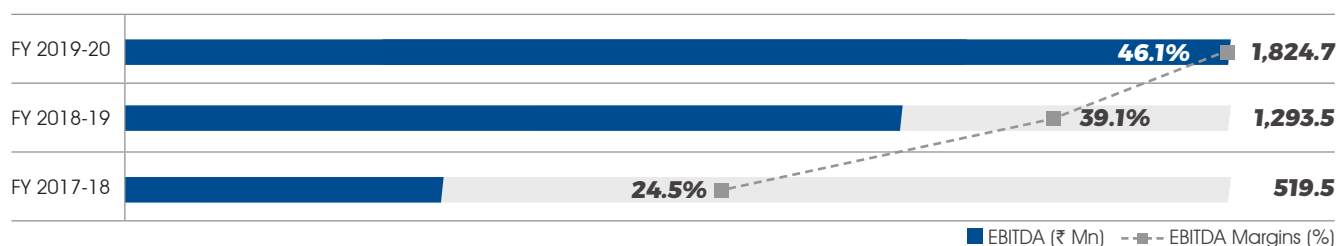


ENSURING STRONG SAILS, DELIVERING STRONG GROWTH

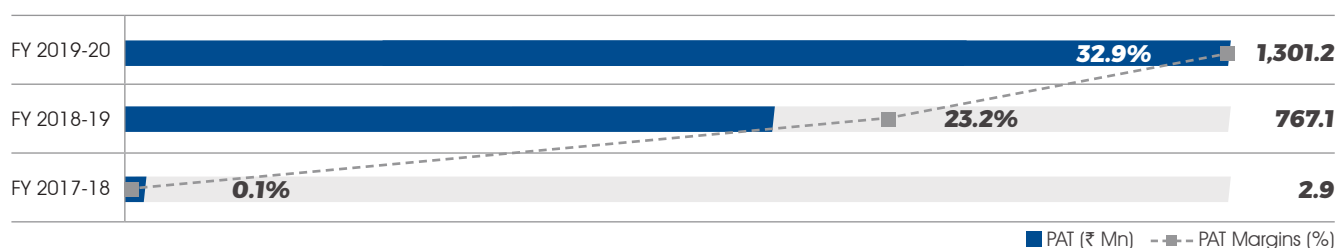
REVENUE (₹ Mn) (Standalone)



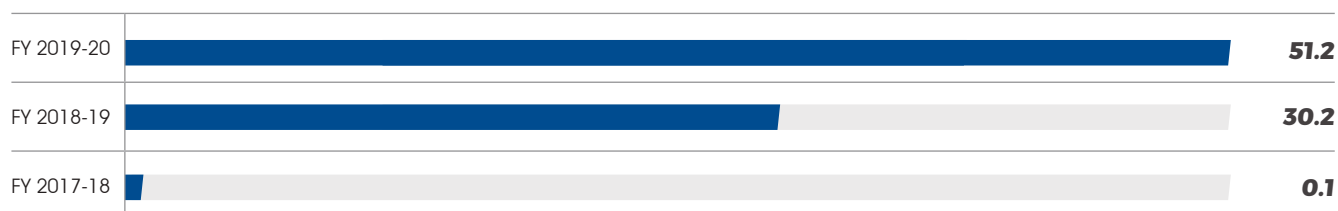
EBITDA (₹ Mn) and EBITDA MARGINS (%)



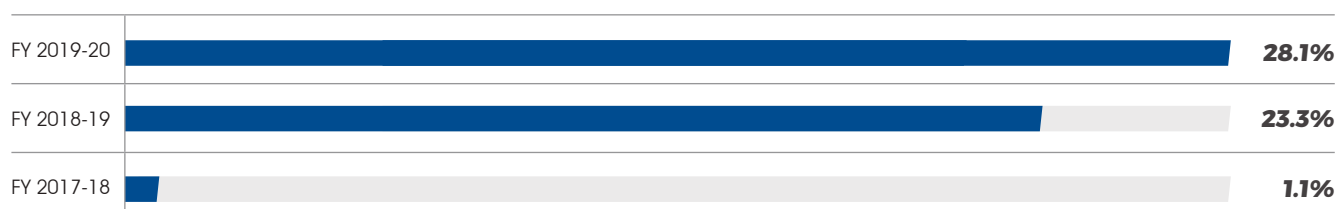
PAT (₹ Mn) and PAT MARGINS (%)

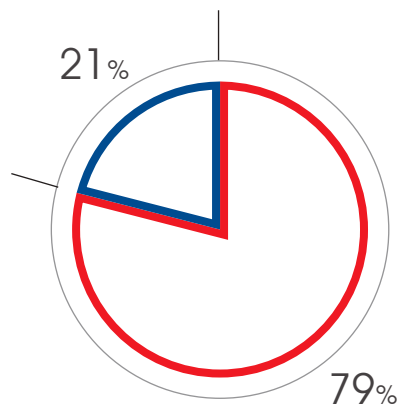


EARNINGS PER SHARE (₹)

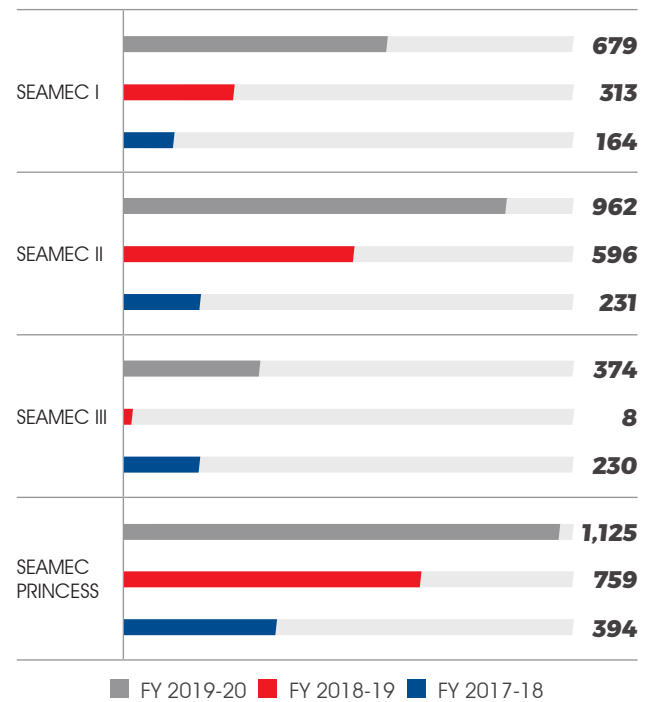
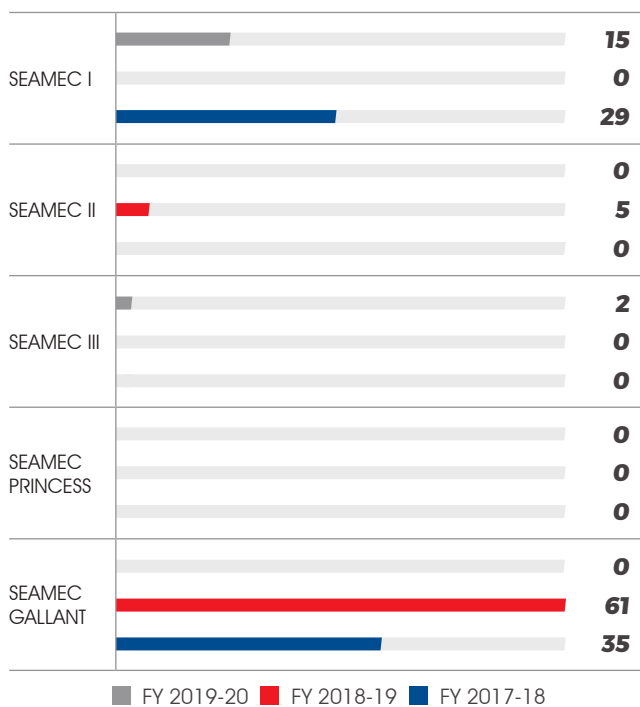
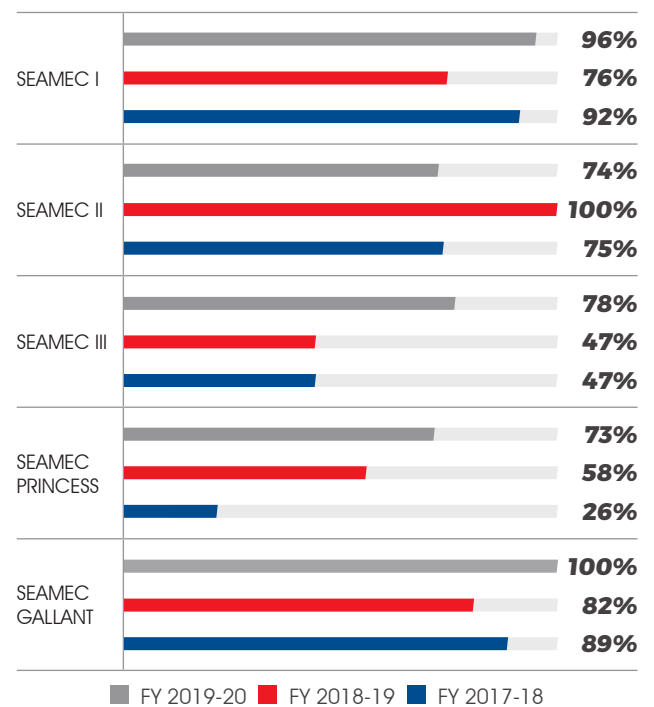


RETURN ON CAPITAL EMPLOYED (%)



**REVENUE BREAK-UP FOR
FY 2019-20 - OILFIELD SERVICES**


■ Long-term Contracts
■ Spot Contracts

HSE PERFORMANCE - LTI FREE DAYS

VESSEL WISE BREAKDOWN DURATION (in days)

VESSEL DEPLOYMENT LEVELS (% days in a year)




OUR KEY DIFFERENTIATORS

Largest Fleet of Multi-Support Vessels

India's largest fleet of multi-functional vessels

Strong Domain Expertise & Technical Capabilities

Qualified manpower. Right technical capabilities. Right infrastructure and equipment. Undertaking critical projects across different operating environments, severe weather conditions, and sea/oceanic challenges

Mix of Long-Term Contracts & Short-Term Quick Turnaround Projects

Technically strong and financial capabilities allows SEAMEC to bid for large, offshore long-term contracts ushering long-term commercial visibility and deployment of vessels. Spare capacity is utilised around the year through smaller projects and spot contracts

Proven Track Record - Timely Execution

Efficient execution of short-term as well as long-term projects. Deliver on-time / often ahead of contractual timelines

Competent Commercial Management

Underpins the sustainable and profitable growth. Ability to prudently manage risk-reward ratio by undertaking detailed cost-analysis of the potential contracts

Financial Strength. Debt-free (despite long-term projects)

Strong surplus equity position.
Overall balance sheet strength.
Significant business flexibility while bidding for contracts.
Superior profitability and margins

Proactive Preventive Maintenance

Helps us reduce the need for breakdown/offhire and achieve superior operational efficiency and deployment rates

SAFETY & MARINE MANAGEMENT SYSTEM

SEAMEC adheres to QHSE (Quality, Health, Safety, and Environment) standards and is compliant with all necessary regulatory and statutory requirements. It implements systematic plans and procedures that ensures the safety of the vessel and operators. It conducts extensive offshore safety audits of the vessels twice a year as per the statutory requirements.

The Company has established a well-designed and robust Marine Management System (MMS) that facilitates seamless coordination and interaction between onshore office staff and vessel operators. This enables the Company to monitor its operations while strengthening its safety factor.





A CONVENIENT LIFESTYLE THAT REQUIRES CHALLENGING OPERATIONS

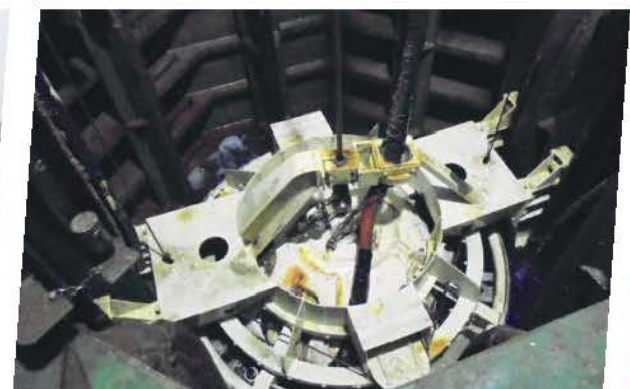
Oil and gas extraction and transport is an activity that is inherently risky due to the nature of the materials and the process of production.

The ocean, with its diverse and rapidly changing weather conditions, strong currents and turbulent flow poses several obstacles and potential safety hazards to divers as they undertake subsea exploration and maintenance activities. Our vessels provide support to these divers who operate in challenging and sometimes life-threatening circumstances to sustain the secure supply of oil and gas.

Ocean waters are tremendously corrosive and pipelines tend to deteriorate in this environment. Inspecting, repairing and maintaining them is a routine task for vessels and marine divers. Our multi-support vessels facilitate these operations by providing a variety of critical support functions, including subsea construction, inspection, maintenance and repair. Through our superior vessel features and mounted diving equipment, we provide support to professionally trained divers who undertake light underwater construction and maintenance work.

WE UNDERTAKE THE CHALLENGING OPERATIONS THAT ENSURE A LIFESTYLE OF CONVENIENCE FOR EVERYBODY.







FROM THE CHAIRMAN'S DESK



“We are India's largest offshore oilfield services facilitator operating multi-support vessels that undertakes a variety of light subsea construction and maintenance. We also own three bulk carriers that are deployed on a fixed charter basis to transport various dry bulk materials, including commodities and industrial products”

Fiscal 2020 is the year where the entire globe underwent broad-based economic slowdown and witnessed unprecedented challenges posed by the COVID-19 pandemic. We exhibited remarkable business resilience, as demonstrated in our topline and bottom-line growth. Our revenue grew by 20% and stood at ₹ 3,956.3 Mn in FY 2019-20. During the year, we achieved higher vessel deployment levels and superior charter hire rates, thanks to our unblemished record as well as prudent commercial skill. We clocked higher topline and bottom-line. Our superior project execution capabilities in execution of Barge based diving as well as lumpsum contract has contributed significantly to the topline as well as bottom-line. Higher revenue, control over operating costs and low-interest burden due to debt-free status resulted in superior profitability. Our vessel deployment during the year stood at satisfactory 85% and was split between long-term and short-term spot contracts, whose contribution stood at 79% and 21% respectively. We were successful in converting challenges into chances and transformed obstacles into opportunities.

GROWING AMIDST COVID-19 CHALLENGES

The outbreak of novel Coronavirus (COVID-19) towards the end of FY 2019-20 caused stringent preventive lockdowns that restricted movement of goods and people, disrupted manufacturing and trade activities and posed severe logistical constraints. Thankfully, our business operations and financial performance for FY 2019-20 remained materially unhampered. This was on account of excellent traction in our oilfield services and bulk carrier operations.

However, given the uncertainty around the pandemic's impact on the global economic activity, we have undertaken pre-emptive measures to ensure the smooth running of our business operations. Additionally, we have taken precautionary measures to protect the health and safety of our employees and have seamlessly transitioned to work-from-home. Even as we face challenges around logistical coordination, sourcing of critical spare parts, and continued manpower engagement, we are confident of maintaining our growth trajectory. Our confidence is backed by our operational expertise, financial strength, dedicated workforce, and favourable industry dynamics.

OUR BUSINESS OPERATIONS

We are India's largest offshore oilfield services facilitator operating multi-support vessels that render a variety of light subsea construction and maintenance operations. We also own three bulk carriers that are deployed on a fixed charter basis to transport various dry bulk materials, including commodities and industrial products.

SECURING CONTRACTS BY LEVERAGING OUR COMPETITIVE STRENGTHS

We continue to secure long-term contracts from our marquee clients backed by our advanced fleet,

vast commercial and operational experience, safety compliance, financial strength and technical competence of our dedicated human resources. Our ability to modify our vessels as per the contract requirements gives us a remarkable competitive edge. Our execution capabilities supported by our robust in-house Marine Management Systems (MMS), helps us maintain superior customer satisfaction levels.

LONG-TERM CONTRACTS PROVIDING REVENUE VISIBILITY

With majority of our assets deployed for Oil and Natural Gas Limited (ONGC) on a long-term contract basis, we enjoy steady revenue visibility.

CAPITALISING ON SPOT MARKET OPPORTUNITIES

While our long-term contracts provide us with superior revenue visibility, we endeavour to deploy other assets opportunistically in spot market, spanning from November to May in India. We keep a close watch on deployment potentiality in international markets. Our sole aim is to explore the best opportunity to utilise the assets to contribute both in terms of revenue and profitability.

STRENGTHENING OUR BUSINESS THROUGH LATERAL DIVERSIFICATION

In order to ensure sustainability, we diversified into bulk carrier business in year 2017. Currently, we own three bulk carriers that cumulatively contributed 10% to the total consolidated revenues in FY 2019-20. SEAMEC GALLANT is operated under Seamec Limited while MS GOOD HOPE and MARINE FORTUNE are managed by our wholly owned subsidiary Seamec International FZE. Our vessels cover all tonnage capacities which provide us with the operating flexibility to cater to varying bulk carrier demands.

OUTLOOK

Despite subdued business conditions, the long-term growth outlook for both the segments we operate in remain structurally positive. Demand for Offshore oilfield services are resilient since they are critical to maintaining operations. As a progressive player, we are exploring the other avenues in offshore and onshore stream to improve sustainability.

On the bulk carrier front, the business is on an upward trajectory. Our focus is to increase our operations in international markets through our wholly-owned subsidiary.

We keep tabs on market requirements, business environment and global trends and accordingly plan asset acquisition and replacement.

We invest in our business operations, nurture and strengthen our human resource capacities and maintain and upgrade our vessel capabilities to capitalise on growth opportunities. We achieve sustainable growth through optimum utilisation of our vessels and exploring synergistic business opportunities.

We act as a 'Responsible Corporate Citizen' and contribute to CSR activities as per regulatory requirements.

CONCLUSION

I thank all our key stakeholders for their continued support and faith in us. I would also like to thank all our employees for their dedicated efforts throughout these testing times. We are confident of achieving our growth objectives while ensuring sustainability and inclusive growth of all our stakeholders.

Warm Regards,

Sanjeev Agrawal
Chairman

BOARD OF DIRECTORS


MR. SANJEEV AGRAWAL

Chairman

Sanjeev Agrawal is an eminent and successful Entrepreneur and heads MM Group to which SEAMEC belongs. Mr. Agrawal has vast experience of over 24 years in the field of Oil & Gas Sector, Soft Drinks, Education, Hospitality and Real Estate. He is the Director of various Public Limited Companies

viz. Fortune Industrial Resources Limited, Hindustan Aqua Limited & Metbrass Plassim India Limited. Corporate Management is his area of expertise. Mr. Agrawal holds 3,95,476 equity shares of your Company as on March 31, 2020.


MR. SURINDER SINGH KOHLI

Independent Director

Mr. Surinder Singh Kohli is a B.SC Mechanical Engineer, holding a Diploma in Industrial Finance, CAIIB.

Mr. Kohli has a phenomenal successful career over 42 years in the Banking Industry. Finance is his area of expertise. Mr. Kohli held the coveted post of Chairman

and Managing Director of Punjab & Sind Bank, Punjab National Bank and India Infrastructure Finance Company Ltd. Mr. Kohli is on the Board and Committees of various Companies viz: ACB (India) Ltd, BSES Yamuna Power Ltd, Asian Hotels (West) Ltd, BSES Rajdhani Power Limited, Reliance Infrastructure Limited and Indian Technocrat Limited.


MRS. SEEMA MODI

Independent Director

Mrs. Seema Modi by qualification holds a Master's degree in Organic Chemistry and MMS in Marketing and has vast experience of over three decades in Corporates both in India and overseas including working with a MNC. Mrs. Modi is the Director - Commercial, Marketing, Supply Chain and Display at Trent Hypermarket Private Limited. She has held the position of Managing Director in Heinz ABC Private Limited, Jakarta Indonesia, Heinz ASEAN and Heinz India Private Limited and later promoted to Regional Director in Strategic projects (RIMEA region – Nigeria and Pakistan). She has also been appointed as Independent Director of Huhtamaki Limited. General Management and Marketing are her core areas of expertise.


MR. DEEPAK SHETTY

Independent Director

Mr. Deepak Shetty, Independent Director, SEAMEC, was formerly a senior career civil servant in the Government of India. He was a direct recruit member of the 1980 batch of the Indian Revenue Service (Customs and Central Excise). He had multiple official assignments in his civil service career spanning 36 1/4 years. In his parent department he had eventually attained the rank of Principal Chief Commissioner of Customs, Central Excise and Service Tax.

In his first central deputation stint, he was Additional Textile Commissioner in the office of the Textile Commissioner, Ministry of Textiles, Government of India, at Mumbai, from 1996 to 2001, in the rank of Director to the Government of India. In his second central deputation term, he had served as Joint Director General of Shipping and then on a continuum as Director General of Shipping, Ministry of Shipping, Government of India, at Mumbai, from 2011 to 2016, successively in the ranks of Joint and Additional

Secretary to the Government of India. He was eventually empanelled and posted as Secretary to the Government of India - the highest rank in the civil service in India.

He has an extensive & intensive experience and expertise in maritime, indirect tax & civil aviation related administrations, law enforcement, crisis & risk management, legal, personnel, human resource development, transparency, business process engineering, automation, corporate governance matters, inter-alia.

He had dealt with and successfully resolved numerous international issues, including in global fora such as United Nations (UN), International Maritime Organisation (IMO), International Criminal Police Organization (INTERPOL), Contact Group on Piracy off the Coast of Somalia (CGPCS) etc.

He is a highly decorated civil servant, having bagged 24 awards and commendations at the national, regional and international levels, throughout his service career. Illustratively, he is the recipient of the Presidential Award of Appreciation Certificate for a Specially Distinguished Record of Service, bestowed on the Republic Day, 2002 and Commendation for Meritorious and Sincere Services Rendered, conferred on the International Customs Day, 2002. He has also been formally honoured with commendations by the Minister for External Affairs, Government of India, Minister for Maritime and Foreign Affairs, Government of Seychelles, Director (Maritime Security), INTERPOL, amongst others, for his outstanding contributions to resolution of multiple and complex issues and challenges, worldwide.

He stands empanelled on the Global Roster of Experts of the United Nations Security Council in the areas of Maritime Administration and Maritime Crime.

**MR. NAVEEN MOHTA**

Whole Time Director

Mr. Naveen Mohta is a qualified Chartered Accountant and Cost and Works Accountant.

Mr. Mohta has 22 years of experience which includes 20 years with HAL Offshore Limited, the Promoter Company of SEAMEC Limited. Before joining

HAL, Mr. Mohta has worked with India Gypsum Limited, a joint venture between Birla Group and BPB Plc UK and has also interacted with various Government bodies such as SIPCOT, TNGST department, Excise, Pollution Control Boards etc. for getting various approvals and registrations for the green field project in Chennai, besides looking after accounts and finance function. In his present position, he looks after the operations and commercials of offshore fleets. His area of expertise is Commercial and Operations.

**MR. SUBRAT DAS**

Director

Mr. Subrat Das is a qualified Chartered Accountant. Mr. Das has 28 years of experience in the field of Finance, Accounts and Taxation and Legal Matters. Mr. Das has worked with Shiv-Vani Oil & Gas Exploration Services Ltd, Great Eastern Energy Corporation Limited, Ortel Communications

Ltd, UNDP/GEF Project (Steel), New Delhi, Modi Korea Telecommunications Ltd, Usha Ispat Ltd, Rathii Alloys & Steel Ltd. His area of expertise is Finance and Accounts.

KEY MANAGERIAL PERSONNEL

**MR. S. N. MOHANTY**

President - Corporate Affairs, Legal & Company Secretary

Mr. S. N. Mohanty has over three decades of experience in the areas of corporate affairs, compliance corporate governance, legal, commercial, procurement, audit, HR and Admin, insurance, Information Technology, Finance and

Taxation and business development. By qualification, Mr. Mohanty is Masters in Commerce, Company Secretary, Cost and Management Accountant and has a degree in Law. Mr. Mohanty is also a Director on the Board of Seamec International FZE, wholly-owned subsidiary of the Company.

Mr. Mohanty is also entrusted with the operations of overseas subsidiary and business development.

**MR. VINAY KUMAR AGARWAL**

Chief Financial Officer

Mr. Vinay Kumar Agarwal is a Chartered Accountant by qualification. He has 27 years of experience in diverse sectors, including print/electronic media, film & TV content production, and the education industry. He has a track record of setting, scaling, and strengthening

the F&A function including internal audit, commercials and SCM functions for multi-entity organisations and groups. Mr. Agarwal's core areas of expertise include financial planning, fund mobilisation, financial systems and processes, budgeting and forecasting, taxation, and legal matters.



GUIDED BY SUSTAINABILITY

SEAMEC is committed to achieving sustainable growth and to meet this objective, it implements and adheres to the best practices as laid down by the International Maritime Organization (IMO). The Company complies with all the regulations enforced by the apex domestic and international regulatory bodies. The Company also undertakes initiatives that reduce its carbon footprint, limits pollution, and promotes environmental and oceanic sustainability.



DEPLOYING LOW SULPHUR CONTENT DIESEL

The Company's multi-support vessels are compliant with IMO regulations mandating use of low-sulphur fuel. The Company's bulk carrier SEAMEC GALLANT that traverses international waters also complies with this fuel regulation since November 2019. The Company furnishes its fuel consumption report to the Flag State as per IMO guidelines and works to lower consumption of environmentally hazardous materials.

COMPLYING WITH BALLAST WATER MANAGEMENT (BWM) REGULATION

The IMO adopted Ballast Water Management (BWM) in 2004 to control the oceanic transfer of potentially invasive species through untreated ballast water. Even as the GOI is yet to ratify BWM Regulation, for coastal vessels, SEAMEC adheres to BWM guidelines, duly certified by the Class. Once SEAMEC GALLANT installs the BWM system during dry-

docking, scheduled in 2021, the Company will be fully compliant with BWM regulations, and support in preventing degradation of the marine ecosystem and protecting oceanic sustainability.

WASTE MANAGEMENT

The Company has well established comprehensive waste management procedures in place compliant with the Maharashtra Pollution Control Act. The Company ensures all e-waste accumulated on its vessels is disposed of through appropriate and compliant vendors.

SINGLE-USE PLASTIC

To minimise the use of plastic, SEAMEC has implemented the 'Single-Use Plastic' policy, duly certified by Class. Through the policy, the Company undertakes various initiatives such as:

- Encouraging vendors to minimise plastic usage in packaging material.

- Identifying and using alternatives for plastic products used in SEAMEC's operations.
- Providing metallic bottles for drinking water in onshore offices as well as for the crew members.

LOWERING ELECTRICITY CONSUMPTION

The Company conserves energy by encouraging and educating its employees on economic and optimum use of electricity. This has fostered higher environment consciousness and self-discipline and also enabled SEAMEC to optimise its power consumption.

LOWERING PAPER UTILISATION

The Company has established operational procedures that limit the use of paper to a bare minimum. The Company encourages its employees to lower paper consumption, improving utility and minimising waste.



HUMAN RESOURCES

Your Company values the competence and commitment of our team members.

The working culture of your Company maintains harmony with focus on improving Productivity, Quality and Safety. Health and Safety of the employees and our associates is of paramount importance. Your Company ensures that operations are carried out as per the safety guidelines and procedures in place which are regularly updated. The Company has 46 onshore employees as on March 31, 2020.

SEAMEC believes in employing, training and developing its own people which is perceived as an Asset. Building these relationships with its team enables to maintain the integrity of core values and gives everyone in the business a greater sense of ownership and responsibility. SEAMEC derives competitive strength from the committed and highly talented workforce where ability is the sole Arbiter.



STATUTORY REPORTS



Notice

To The Members

NOTICE is hereby given that the Thirty Third Annual General Meeting of Members of SEAMEC LIMITED will be held on Monday, September 28, 2020 at 04:00 P.M. through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS

- To receive, consider and adopt:
 - Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon;
 - Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 together with the Report of Auditors thereon.
- To declare dividend of ₹ 1 per equity share for the financial year ended March 31, 2020.
- To appoint a Director in place of Mr. Sanjeev Agrawal (DIN: 00282059) who retires by rotation and being eligible, offers himself for re-appointment.

Registered Office:

A-901-905, 9th Floor,
215 Atrium,
Andheri Kurla Road,
Andheri (East)
Mumbai – 400 093
Date: June 20, 2020

By Order of the Board of

Directors

For Seamec Limited

S. N. Mohanty

President – Corporate
Affairs, Legal and
Company Secretary

NOTES:

- In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. Further, Securities and Exchange Board of India ('SEBI') vide its Circular dated May 12, 2020 ('SEBI Circular') has also granted certain relaxation. In compliance with the aforesaid MCA Circulars and SEBI Circular, the AGM of the Company is being held through VC / OAVM.
- Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, the requirement of physical attendance of the members has been dispensed with. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR

APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM IS NOT ANNEXED TO THIS NOTICE.

- Participation of members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").
- Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body Resolution/Authorization etc. authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting / e-voting at the AGM. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to cs.smishra@gmail.com with a copy marked to ra@cbmsl.com / evoting@nsdl.co.in.
- The relevant details, pursuant to Regulation 26(4) and 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
- The Company has fixed **Monday, September 21, 2020** as the 'Record Date' for determining entitlement of members to dividend for the financial year ended March 31, 2020, if approved by the members at the AGM.
- If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made within 30 days of declaration, subject to deduction of tax at source, as under:
 - To all Beneficial Owners in respect of shares held in dematerialized form as per the data made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on Monday, September 21, 2020.
 - To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Monday, September 21, 2020.
- Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source

from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ Registrar and Share Transfer Agent of the Company (RTA) (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by sending an email to rt@cbmsl.com with a copy marked to contact@seamec.in by 11:59 p.m. IST on Monday, September 21, 2020. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to rt@cbmsl.com with a copy marked to contact@seamec.in by 11:59 p.m. IST on Monday, September 21, 2020.

These documents should reach the Company / RTA on or before Monday, September 21, 2020 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction shall be entertained after Monday, September 21, 2020. It may be further noted that in case the tax on Dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

This communication shall not be treated as an advice from the Company or its affiliates or its RTA. Shareholders should obtain the tax advice related to their tax matters from a tax professional.

9. Members seeking any information on the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Monday, September 21, 2020 through email on contact@seamec.in. The same will be replied by the Company suitably.
10. Members are requested to note that, dividend if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in

respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. For any assistance, members may write to RTA at rt@cbmsl.com or to the Nodal Officers appointed by the Company by sending an e-mail to contact@seamec.in.

11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held in demat form and to the RTA: C B Management Services (P) Ltd., P-22, Bondel Road, 5th Floor, Kolkata – 700 019 in case the shares are held in physical form. The process for updation of Bank Account Details and E-mail Id is given below.
12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and respective holdings should be verified.
13. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company and/or Registrar and Share Transfer Agent of the Company.
14. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members may contact the Company or Company's Registrar and Share Transfer Agent for assistance in this regard.



15. The ISIN number allotted is INE497B01018. In view of the numerous advantages offered by the depository system and the directives given under Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, members are requested to avail of the facility of dematerialization of the Company's shares held by them in physical form.
16. Members holding shares in physical mode and who have multiple accounts in identical names or joint accounts in the same order are requested to send all their relevant share certificates to the RTA for consolidation to one account to facilitate better service.
17. Members are requested to quote the ledger folio or Client ID and DP ID numbers in all communications with the Company / Company's RTA.
18. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report for FY 2019-20 is being sent only through electronic mode to those Members whose E-mail addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report for FY 2019-20 will also be available on the Company's website www.seamec.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.
19. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, to receive copies of the Annual Report for FY 2019-20 in electronic mode in accordance with the process given below.
20. As per the provisions of Section 72 of the Companies Act, 2013 the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13 in prescribed format. Members are requested to submit the said details to their Depository Participant in case the shares are held by them in electronic form and to Company's RTA in case the shares are held in physical form.
21. Instructions for e-voting and joining the AGM are as follows:
- In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through remote e-voting / e-voting services provided by National Securities Depository Limited (NSDL) on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
 - The remote e-voting period commences on Friday, September 25, 2020 (9:00 a.m. IST) and ends on Sunday, September 27, 2020 (05:00 p.m. IST). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, September 21, 2020 may cast their vote by remote e-voting. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - Members who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
 - The members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
 - Members will be provided with the facility for voting through electronic voting system during the VC / OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-voting, will be eligible to exercise their right to vote through e-voting at the AGM. Members who have cast their vote on resolution(s) by remote e-voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again.
 - The details of the process and manner for remote e-voting are explained herein below:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email IDs are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.



2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.smishra@gmail.com with a copy marked to evoting@nsdl.co.in.
 2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
 3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
- VII. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the Meeting is being held through VC/OAVM. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- VIII. In case of any queries or grievance related with remote e-voting / e-voting may be addressed to Ms. Sneha Valeja, Assistant Company Secretary, Tel.: 022 6694 1800, E mail - contact@seamec.in with a copy marked to evoting@nsdl.co.in.
- IX. Member(s) already registered with NSDL for e-voting can use existing user ID and Password/PIN for casting vote.
- X. Member(s) can also update his/their mobile number and e-mail id in the user profile details of the folio which may be used for sending further communication(s).
- XI. The voting rights of the members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Monday, September 21, 2020.
- XII. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of meeting and holding shares as of the cut-off date i.e. Monday, September 21, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- XIII. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting or e-voting at the AGM. A person who is not a Member of the Company as on the cut-off date but has received a copy of the Notice should treat this Notice for information only.

Please Note That

- Login to NSDL's e-Voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot User Details/Password' option available on the website to reset the same.
- Your existing user ID and password with NSDL can be used by you exclusively for e-Voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

XIV. Process for registration of E-mail Id for obtaining Annual Report and user id/password for e-voting and updation of bank account mandate for receipt of dividend:

Physical Holding	<p>Send a request to the Registrar and Transfer Agents of the Company, at rta@cbmsl.com providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) for registering email address.</p> <p>Following additional details need to be provided in case of updating Bank Account Details:</p> <ol style="list-style-type: none"> Name and Branch of the Bank in which you wish to receive the dividend The Bank Account type Bank Account Number allotted by their banks after implementation of Core Banking Solutions 9 digit MICR Code Number, and 11 digit IFSC Code a scanned copy of the cancelled cheque bearing the name of the first shareholder
Demat Holding	<p>Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.</p>

- XV. Instructions for members for attending the AGM through VC / OAVM and voting at the AGM are as under:
- Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system and they may access the same at <https://www.evoting.nsdl.com> under the Shareholders/Members login by using the remote e-voting credentials, where the EVEN of the Company will be displayed against the Company's name. On clicking this link, Members will be able to attend and participate in the proceedings of the AGM.
- Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.
- Members may join the AGM through laptops, Smartphones, tablets and i-pads for better experience. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS edge or Firefox. Please note that participants connecting from Mobile devices or tablets or through laptops connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
 - Facility of joining the AGM through VC / OAVM shall open 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned above. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars.
- Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 1800-222-990 or contact Mr. Amit Vishal, Senior Manager – NSDL at amity@nsdl.co.in/022-24994360/+91 9920264780 or Mr. Sagar Ghosalkar, Assistant Manager- NSDL at sagar.ghosalkar@nsdl.co.in/ 022-24994553/+91 9326781467.
 - Members will be provided with the facility for voting through e-voting system during the proceedings at the AGM held through VC / OAVM and Members participating at the AGM, who have not already cast their vote by remote e-voting, will be eligible to exercise their right to vote.
 - Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP Id and Client Id/folio number, PAN and mobile number at contact@seamec.in up to September 21, 2020 (5:00 p.m. IST). Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- XVI. Other Information:
- The Board of Directors have appointed M/s. Satyajit Mishra & Co., Company Secretaries, (Membership No. FCS-5759, COP No.-4997), as the Scrutinizer to scrutinize votes cast through remote e-voting process and during the AGM in a fair and transparent manner.
 - The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person



authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM.

The voting results shall be declared along with the Scrutinizer's Report and would be available on the Company's website at www.seamec.in, on the website of NSDL <https://www.evoting.nsdl.com> on the same day and shall also be simultaneously forwarded to the Stock Exchanges where the Company's shares are listed i.e., BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) along with the same being displayed on the notice board of the Registered Office of the Company.

- c) The resolutions, if passed by a requisite majority, shall be deemed to be passed on the date of the Annual General Meeting.
- d) In pursuance of the Circulars, immediately on conclusion of the AGM the recorded transcript of the AGM would be uploaded on the website of the Company at www.seamec.in.

- e) Relevant documents referred to in the accompanying Notice and Statutory Registers maintained pursuant to the provisions of the Companies Act, 2013 read with Rules framed thereunder will be available electronically for inspection by the members during the AGM and without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 28, 2020. Members seeking to inspect such documents can send an email to contact@seamec.in.
- f) Since the AGM will be held through VC / OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

Registered Office:

A-901-905, 9th Floor,
215 Atrium,
Andheri Kurla Road,
Andheri (East)
Mumbai – 400 093
Date: June 20, 2020

By Order of the Board of Directors

For **Seamec Limited**

S. N. Mohanty

President – Corporate
Affairs, Legal and
Company Secretary

Annexure to the Notice

Details of Director seeking appointment / re-appointment at the Annual General Meeting

[Pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 on General Meetings]

Name of the Director	Mr. Sanjeev Agrawal
DIN	00282059
Date of Birth	December 5, 1963
Age	57 years
Designation	Chairman and Non-Executive Director
Shareholding in the Company as on the date of this Notice	3,95,476 (1.55%)
Date of First Appointment on the Board	June 3, 2014
Terms and conditions of appointment/ re-appointment	As per Item No. 3 of this Notice.
Qualifications	Master Degree in Commerce & MBA from Coca Cola University of Atlanta, USA.
Brief resume (Experience and Expertise)	Mr. Sanjeev Agrawal is an eminent and successful Entrepreneur and heads MM Group to which the Company belongs. Mr. Agrawal has vast experience of over 24 years in the field of Oil & Gas Sector, Soft Drinks, Education, Hospitality and Real Estate.
Directorships held in other companies (excluding foreign companies and Section 8 companies)	<ol style="list-style-type: none"> 1. Sun Vision Power And Ispat Private Limited 2. Lumax Builders Private Limited 3. Shantnu Farms Private Limited 4. Hindustan Aqua Private Limited 5. Metbrass Plassim India Private Limited 6. Passion Realcon Private Limited 7. PNR Systems Private Limited 8. Fortune Industrial Resources Limited 9. Superior Fabrics Private Limited 10. Versatile Polytech Private Limited 11. MMG Restaurants Private Limited
Membership/Chairmanship of Committees of the Board of other companies	Refer to Directors' Report and Corporate Governance Report forming part of this Annual Report.
Inter-se relationship with other Directors and Key Managerial Personnel	None.

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel, please refer to the corporate governance report which is a part of this Annual Report.



Directors' Report

Dear Members,

Your Directors take pleasure in presenting the Thirty Third Annual Report on the business and operations of your Company together with the Audited Financial Statements for the financial year ended March 31, 2020.

1. STATE OF COMPANY'S AFFAIRS

a. Financial Highlights

(₹ million)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from Operations	3652	3038	3841	3137
Other Income	304	266	299	296
Total Income	3956	3304	4140	3433
Total Expenditure				
a. Employee Benefit Expenses	628	642	631	645
b. Operating Expenses	1441	1093	1458	1097
c. Other Expenditure	63	276	67	281
Earnings before Interest, Depreciation & Tax	1825	1293	1984	1410
Interest Expenses	10	6	51	34
Depreciation	459	482	546	519
Profit / (Loss) before Tax	1356	805	1387	857
Tax Expenses for the year	54	38	54	38
Profit / (Loss) after Taxation	1302	767	1333	819
Add: Balance brought forward from previous year	2047	1409	2870	2133
Surplus available for appropriation	3349	2176	4203	2952
Transfer to Tonnage Tax Reserve	219	128	219	128
Other Comprehensive Income	(1)	(1)	(18)	46
Retained profit carried forward	3129	2047	3966	2870

During the year under review, on standalone basis the Company recorded its Total Income at ₹ 3956 million against ₹ 3304 million in last year attaining a healthy growth of 20%. The increase of revenue is attributed to increase in overall deployment days of Company's vessel and revenue earned from the Barge Contract.

Revenue from operations is accounted at ₹ 3652 million as against ₹ 3038 million in the previous year, an increase of 20% on year on year basis. Similarly, there is an increase in other income from ₹ 266 million to ₹ 304 million, primarily due to enhanced liquidity position, cost analysis approach and prudent investment strategy.

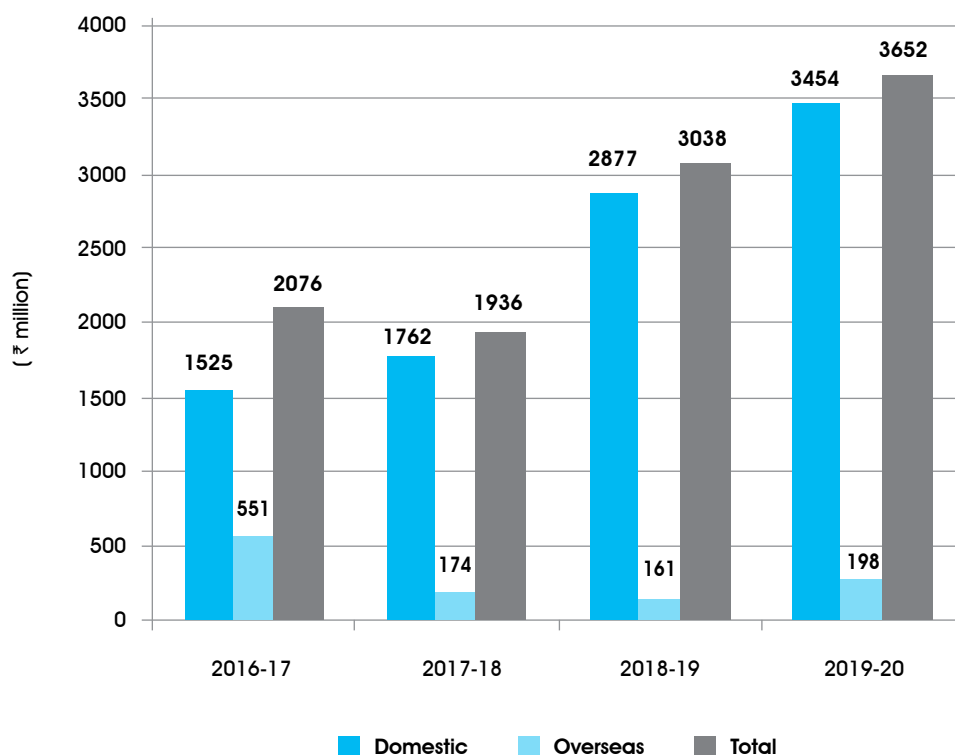
On consolidated basis for FY 2019-20, your Company has recorded Total Income at ₹ 4140 million against

₹ 3433 million in the previous year, recording an increase of 21%.

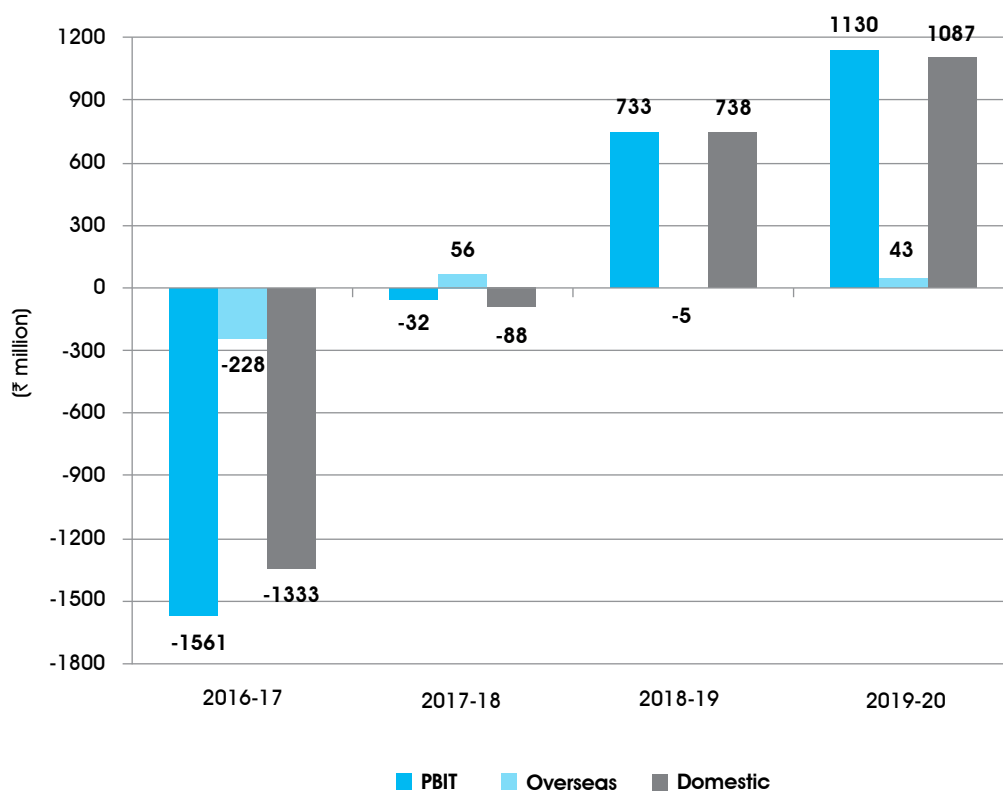
Your Company achieved standalone profit (after tax) for FY 2019-20 of ₹ 1302 million against a profit (after tax) of ₹ 767 million in the previous year, recording an increase of 70%. On consolidated basis the profit (after tax) is ₹ 1333 million against profit (after tax) of ₹ 819 million during the corresponding period of previous year, a rise of 63%.

The Company has transferred ₹ 219 million to the tonnage tax reserve. In the corresponding period of the previous year, the tonnage tax reserve was created for ₹ 128 million.

Yearwise Revenue from Operation



Segment Wise Profit Before Finance Cost, Interest Income and Tax





2. IMPACT OF COVID-19

Close to closure of FY 2019-20, India witnessed advent of COVID-19 pandemic, which has rapidly developed in many countries across the globe. This forced the Union and State Governments to enforce strict lockdown and social distancing measures which has affected the economy.

For FY 2019-20, the impact of COVID-19 pandemic on Company's operations and financials has been trivial. Post March 2020, the Company's challenge in carrying out operational activities centers around coordinating effectively with logistics, supply chain, vessel manpower, sourcing of spares and facilitation of movement for the employees.

Your Company's management has taken pre-emptive measures to address the impending adversity. The Company is optimistically poised to maintain its operational and financial strength. However, the element of uncertainty prevails as to what extent this pandemic will play with its severity in coming months to impact business and society at large.

The Company focused on the health and well-being of its employees. The concept of Work from Home has been streamlined and employees were encouraged to give their measurable output to maintain continuity across functions of the organization.

3. DIVIDEND

For FY 2019-20, based on the Company's performance, your Directors has recommended dividend of ₹ 1 per equity share of ₹ 10 each, which will be paid upon approval of the members in the ensuing Annual General Meeting of the Company. The dividend on equity shares, if approved by the members, would involve a cash outflow of ₹ 2.54 crore and shall be subject to deduction of income tax at source.

4. TRANSFER TO GENERAL RESERVE

The Company has not transferred any amount to the General Reserve for the financial year ended March 31, 2020.

5. CHANGE IN NATURE OF BUSINESS

During the year under review, the Company has altered Main Object Clause of the Memorandum of Association of the Company with the approval of the members by passing Special Resolution for diversification of its business activities by undertaking the infrastructure projects at a global scale.

Your Directors are exploring the possibilities of entering into a new venture, which will help Company's operations evolve as a multi-conglomerate.

6. SHARE CAPITAL

During the year under review, there was no change in the Company's Issued, Subscribed and Paid-up Equity Share Capital which consists of 2,54,25,000 Equity Shares of ₹10/- each as on March 31, 2020.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company comprises of six Directors of which two are Non-Executive Directors, one Whole Time Director and three Independent Directors (including a Woman Director). The constitution of the Board of Directors of the Company is in accordance with Section 149 of the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time.

On the recommendation of the Nomination and Remuneration Committee and Board of Directors of the Company, the members re-appointed Mrs. Seema Modi, Non-Executive and Independent Directors as an Independent Woman Director, for a second term of 5 (five) consecutive years i.e. upto March 31, 2025, on the Board of the Company.

Mr. Sanjeev Agrawal (DIN: 00282059), Director, is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible has offered himself for re-appointment. The Board of Directors recommend his re-appointment and the matter is being placed for seeking approval of members at the ensuing Annual General Meeting of the Company.

Pursuant to Regulation 36 of the Listing Regulations read with Secretarial Standard – 2 on General Meetings, brief details of Mr. Sanjeev Agrawal, are provided as an Annexure to the Notice of the Annual General Meeting.

During the year under review, Mr. Virendra Kumar Gupta resigned as President and Chief Financial Officer due to personal reasons. Your Directors place on record its appreciation for the valuable services rendered by Mr. Gupta during his tenure.

Consequent to resignation of Mr. Gupta, on the recommendation of the Nomination and Remuneration Committee and Audit Committee, Mr. Vinay Kumar Agarwal has been appointed as the Chief Financial Officer of the Company with effect from August 9, 2019.

In accordance with Section 149(7) of the Companies Act, 2013, as amended, each Independent Director of the Company has given written declaration confirming that he/she meets the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 and Listing Regulations.

In pursuance of provisions of Companies (Accounts) Amendment Rules, 2019 and in the opinion of the Board of Directors of the Company, all the Independent Directors possess utmost integrity, expertise and experience in their area of specialization. Except, Mr. Surinder Singh Kohli, who is exempted from clearing online proficiency self assessment test conducted by Indian Institute of Corporate Affairs (Manesar), Mr. Deepak Shetty and Mrs. Seema Modi shall be undertaking the above online proficiency test in due course within the statutory timelines as per regulatory requirements.

The brief profile of all members of the Board forms part of the Annual Report.

The following persons are the Key Managerial Personnel of the Company.

1. Mr. Naveen Mohta – Whole Time Director
2. Mr. S. N. Mohanty – President – Corporate Affairs, Legal & Company Secretary
3. Mr. Vinay Kumar Agarwal – Chief Financial Officer

8. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

Board Meetings

The Board of Directors met four (4) times during the financial year under review. The particulars of the meetings held and attended by each Director are detailed in the Corporate Governance Report forming part of the Annual Report.

Audit Committee

The Audit Committee of the Company is constituted in line with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The composition of the Audit Committee is as under:

Name of the Member	Category	Designation in the Committee
Mr. Deepak Shetty*	Non-Executive and Independent Director	Chairman
Mr. Surinder Singh Kohli	Non-Executive and Independent Director	Member
Mrs. Seema Modi	Non-Executive and Independent Director	Member
Mr. Subrat Das	Non-Executive Director	Member

* The Audit Committee was re-constituted w.e.f. May 15, 2019 by inducting Mr. Deepak Shetty, Independent Director as the Chairman of the Audit Committee.

The Members of the Audit Committee are financially literate and have requisite accounting and financial management expertise. The terms of reference of the Audit Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of the Annual Report. During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted in line with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The composition of the Nomination and Remuneration Committee is as under:

Name of the Member	Category	Designation in the Committee
Mr. Surinder Singh Kohli	Non-Executive and Independent Director	Chairman
Mr. Deepak Shetty*	Non-Executive and Independent Director	Member
Mrs. Seema Modi	Non-Executive and Independent Director	Member
Mr. Sanjeev Agrawal	Non-Executive Director	Member

* The Nomination and Remuneration Committee was re-constituted w.e.f. November 13, 2019 by inducting Mr. Deepak Shetty, Independent Director as the Member of the Nomination and Remuneration Committee.

The terms of reference of the Nomination and Remuneration Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of the Annual Report.

The Company has formulated Nomination and Remuneration Policy, which sets out guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors or be appointed as Key Managerial personnel, Board evaluation, retirement / removal of Directors' and



to determine the independence of Directors, in case of their appointment / re-appointment as Independent Directors of the Company. It also provides guiding principles for the Committee for recommending remuneration of Directors and Key Managerial Personnel to the Board of Directors of the Company.

The Nomination and Remuneration Policy of the Company is hosted on the Company's website under the web link- <http://seamec.in/attachments/Nomination%20and%20Remuneration%20Policy.pdf>.

Stakeholders Relationship Committee

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, the Stakeholders' Relationship Committee was constituted by the Board of Directors.

The composition of the Stakeholders Relationship Committee is as under:

Name of the Member	Category	Designation in the Committee
Mrs. Seema Modi	Non-Executive and Independent Director	Chairperson
Mr. Sanjeev Agrawal	Non-Executive Director	Member
Mr. Naveen Mohta	Whole Time Director	Member

The brief terms of reference of the Stakeholders' Relationship Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of the Annual Report.

Corporate Social Responsibility Committee

In accordance with the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company has constituted Corporate Social Responsibility (CSR) Committee. The Committee is entrusted with the responsibility of:

- Formulating and recommending to the Board, Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken;
- Monitoring the implementation of framework of the CSR Policy; and
- Recommending the amount to be spent on CSR activities.

The brief outline of the Company's CSR initiatives undertaken during the year under review is attached as Annexure – A to this Report in the format as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company's CSR Policy is placed on the website of the Company - www.seamec.in.

Name of the Member	Category	Designation in the Committee
Mr. Sanjeev Agrawal	Non-Executive Director	Chairman
Mr. Deepak Shetty*	Non-Executive and Independent Director	Member
Mrs. Seema Modi	Non-Executive and Independent Director	Member

* The Corporate Social Responsibility Committee was re-constituted w.e.f. May 15, 2019 by inducting Mr. Deepak Shetty, Independent Director as the member of the Committee.

Risk Management Committee

In compliance with discretionary requirements pursuant to Regulation 21 of the Listing Regulations, the Board has constituted Risk Management Committee to frame, implement and monitor risk management plan of the Company.

The Board has adopted the Risk Management Policy and guidelines to mitigate foreseeable risks, avoid events, situations or circumstances, which may lead to negative consequences on the Company's businesses. The major risks identified are systematically approached through mitigating actions on continual basis. Risk evaluation is an on-going and continuous process within the Company and it is regularly updated to the Board of the Company. The Risk Management Policy may be accessed on the Company's website at www.seamec.in.

The Risk Management Committee has been entrusted with the responsibility to assist the Board in overseeing and approving the Company's enterprise wide risk management framework. Risk identification facets, assessment and mitigation measures are periodically reported to Board. A detailed analysis of the business risks and opportunities is given under Management Discussion and Analysis Report.

The composition of the Risk Management Committee is as under:

Name of the Member	Category	Designation in the Committee
Mr. Deepak Shetty*	Non-Executive and Independent Director	Chairman
Mr. Surinder Singh Kohli	Non-Executive and Independent Director	Member
Mr. Sanjeev Agrawal	Non-Executive Director	Member
Mr. Seema Modi	Non-Executive and Independent Director	
Mr. Naveen Mohita	Whole Time Director	Member
Mr. Sachidananda Mohanty	President – Corporate Affairs, Legal and Company Secretary	Member
Mr. Vinay Kumar Agarwal*	Chief Financial Officer	Member

* The Risk Management Committee was re-constituted on May 15, 2019 by inducting Mr. Deepak Shetty, Independent Director as the member of the Committee and further re-constituted on August 9, 2019 by designating Mr. Deepak Shetty as Chairman of the Committee and inducting Mr. Vinay Agarwal as member of the Committee.

9. EXTRACT OF ANNUAL RETURN

As per the requirements of Section 92(3) of the Companies Act, 2013 and Rules framed thereunder, the extract of the annual return for FY 2020 in the prescribed Form No. MGT-9 is attached as Annexure – B to this Report. The same can also be accessed on the Company's website at www.seamec.in.

10. ANNUAL EVALUATION OF DIRECTORS, COMMITTEES AND BOARD

Pursuant to the provisions of the Companies Act, 2013 and as per the Listing Regulations, the Board of Directors has carried out annual performance evaluation of its own performance, the Directors individually as well as the working of its Committees.

The performance of the Board as a whole and of its Committees was evaluated by the Board through structured questionnaire which covered various aspects such as the composition and quality, meetings and procedures, contribution to Board processes, effectiveness of the functions allocated, relationship with management, professional development, adequacy, appropriateness and timeliness of information etc.

Taking into consideration the responses received from the Individual Directors to the questionnaire, performance of the Board and its Committees was evaluated as satisfactory.

In terms of requirements of Schedule IV of the Companies Act, 2013, Regulation 25 of the Listing Regulations read with relaxations granted by Ministry of Corporate Affairs vide general circular no. 11/2020 dated March 24, 2020, a separate meeting of Independent Directors of the Company was held on May 15, 2020 in which the performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

11. STATUTORY AUDITORS

M/s. T. R. Chadha & Co. LLP, Chartered Accountants (ICAI Registration No. 006711N/9500028) were appointed as Statutory Auditors of your Company at the 30th Annual General Meeting held on August 11, 2017, for a term of five consecutive years from the conclusion of that Annual General Meeting until the conclusion of 35th Annual General Meeting, subject to ratification of their appointment by members at every AGM. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.

The Auditors Report for the financial year ended March 31, 2020 does not contain any qualification, adverse remark or reservation and therefore, does not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Auditors have not reported any matter to the Company required to be disclosed under Section 143(12) of the Companies Act, 2013.

12. SECRETARIAL AUDITORS

In terms of the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s. Satyajit Mishra & Co, Company Secretary in Practice (FCS no. 5759, C P No. 4997) as the Secretarial Auditors for conducting Secretarial Audit of your Company for the financial year ended March 31, 2020. The report of the Secretarial Auditor is attached as Annexure - C to this report in Form MR-3.

The Secretarial Auditors' Report does not contain any qualification, reservation or adverse mark.



Your Company is in compliance with the Secretarial Standards issued and specified by the Institute of Company Secretaries of India (ICSI) and notified by the Ministry of Corporate Affairs.

13. PARTICULARS OF LOAN, GUARANTEE AND INVESTMENTS

The particulars of loans, guarantees and investments as per Section 186 of the Companies Act, 2013 by the Company, have been disclosed in the financial statements forming part of the Annual Report.

14. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS

The Special Leave Petition (SLP) filed by the Company before Hon'ble Supreme Court in regards to reimbursement towards revision in price of high speed diesel from Oil India Limited for deployment of oil drilling rig during the period from 2005 to 2009 was not favorably opined in favor of the Company resulting in write-off of the provisions made to the extent of ₹ 4.6 million from its books of accounts for FY 2019-20.

15. FAMILIARIZATION PROGRAMME TO INDEPENDENT DIRECTORS

The familiarization programme aims to provide Independent Directors with the business and operations overview, the socio-economic environment in which the Company operates, business model, operational and financial performance of the Company, market dynamics and changes to enable them to take appropriate decision in a timely manner. The familiarization programme also seeks to update the Directors on their roles, responsibilities, rights and duties under the provision of law and other statutes. All the Independent Directors are familiarized with the induction programme conducted by the Company. The details of familiarization programmes/training imparted to Independent Directors have been posted on the Company's Website at <http://seamec.in/attachments/FAMILIARIZatIon-ID.pdf>.

16. RELATED PARTY TRANSACTIONS

All related party transactions entered into by the Company during the financial year under review were in the ordinary course of business and on arm's length basis and the same were in compliance with the applicable provisions of the Companies Act, 2013 read with the relevant rules made thereunder and the Listing Regulations. The transactions entered into during the financial year were in conformity with the Company's Policy on Related Party Transactions.

During the year under review, with the approval of the members of the Company through postal ballot, the Company entered into material related party transaction for Arrangement / Contract(s) between the Company and HAL Offshore Limited (Holding

Company) for Charter hire of Company's vessel and other allied services including diving services with appropriate regulatory approval.

Accordingly, in compliance with Schedule V of Listing Regulations disclosure with respect to transactions of the Company with persons belonging to the promoter/promoter group and holding 10% or more shareholding in the Company along with other Related Party Transactions is provided in Form AOC – 2 in terms of Section 134 of the Companies Act, 2013 and is attached herewith as Annexure – D to this Report. Further, aforesaid details with respect to related party transactions are also set out in the Notes to Standalone and Consolidated Financial Statements of the Company for the year ended March 31, 2020.

The policy on Related Parties as approved by the Board of Directors is available on your Company's website at www.seamec.in.

17. REPORT ON CORPORATE GOVERNANCE, MANAGEMENT DISCUSSION AND ANALYSIS AND BUSINESS RESPONSIBILITY

A separate report on Corporate Governance is provided together with the Certificate from the Practicing Company Secretaries confirming compliance of conditions of Corporate Governance as stipulated under the Listing Regulations. Pursuant to the provisions of Regulation 34 read with Schedule V of the Listing Regulations, a report on Management Discussion & Analysis along with the Business Responsibility Report, describing the initiatives taken by the Company from environmental, social and governance perspective is also attached separately, which forms part of the Directors' Report.

18. INVESTOR SERVICES

As the members are aware, your company's shares are tradeable compulsorily in electronic form with effect from 24th August, 2000 and your company has established connectivity with both the depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). In view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of dematerialization of Company's shares with either of the Depositories through their respective Depository Participants.

19. WHOLLY OWNED SUBSIDIARY

SEAMEC INTERNATIONAL FZE, Wholly Owned Subsidiary (WOS) of your Company, is also a material subsidiary pursuant to Regulation 16 of the Listing Regulations. As per the regulatory provision, the consolidated financial statements of your Company with its wholly owned subsidiary for the financial year March 31, 2020 duly audited by Statutory Auditors is attached to the annual

report of the Company. The annual audited financial statements of WOS and the accompanying information shall be placed on the Company's website at www.seamec.in and be made available to the members on request at any point of time. During the year under review, WOS purchased a bulk carrier named "MARINE FORTUNE" which was partially financed by Bank of Baroda, Sharjah amounting to USD 6.02 million. On acquisition, the vessel has been secured under Bareboat Charter for a period of 4 years. WOS is also actively exploring avenues for venturing into various other segments of business to increase its economic scale.

A statement containing salient features of the subsidiary in the prescribed format of Form AOC-1 is attached as Annexure – E to this Report.

20. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Internal Financial Controls (IFC) of the Company provides reasonable assurance with respect to preparation of financial statements in compliance with the Acts, Rules, Regulations as applicable including Indian Accounting Standards and also reliability of financial reporting. The controls also provides assurance that the expenditures are made in accordance with the authority given to the management of the Company duly approved by the Directors of the Company.

The Company has an internal controls system commensurate with size, scale and complexity of its operations. In order to enhance controls and governance standards, the Company has adopted Standard Operating Procedures, which ensure that robust internal financial controls exist in relation to operations, financial reporting and compliance.

In addition, the Internal Auditor monitors and evaluates the efficiency and adequacy of the internal control system in the Company, its compliance with operating systems, accounting and procurement procedures and respective policies. Periodical control report on the same is presented and discussed with the Audit Committee.

Conscious efforts are in place on a continuous basis to ensure that all the assets are safeguarded and protected against loss from unauthorized use and disposal and that all transactions are authorized, recorded and financial statements show a true and fair picture of the state of affairs of the Company. Compliance is in place as regards to applicable statutory and regulatory requirements.

The internal control systems of the Company are monitored and evaluated by Internal and Statutory

Auditors and reviewed by Management. Internal Auditors of the Company report key findings on the internal control systems to the Audit Committee.

21. MARITIME LABOUR CONVENTION (MLC) 2006

Maritime Labour Convention (MLC) 2006 adopted by International Labour Organization, establishing minimum requirements for almost all aspects of working and living conditions on board ships has come into force from 20 August, 2013.

Government of India had ratified and adopted provisions of MLC in 18th October, 2015.

Your Company has implemented the requirement as per MLC 2006 and has received certification from the flag administration for its vessels.

22. VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and in accordance with Regulation 22 of the Listing Regulations, the Company had adopted 'Vigil Mechanism Policy' for Directors and Employees of the Company to report concerns about unethical behavior. The policy provides a mechanism, which ensures adequate safeguards to Employees and Directors from any victimization on raising concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, and so on. The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Vigil Mechanism Policy is hosted on the Company's website www.seamec.in.

During the year under review, no complaint has been lodged by any employee of the Company pursuant to Vigil Mechanism and Whistle Blower Policy of the Company.

23. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.



The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year 2019-20, the Company has not received any complaints on sexual harassment in accordance with the Company's policy on prevention, prohibition and redressal of sexual harassment at workplace.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

The information pertaining to conservation of energy, technology absorption, Foreign Exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as Annexure – F to this Report.

25. PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure – G to this Report.

26. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors state that:

- a. In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- b. they have selected such accounting policies, applied them consistently, and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for financial year.
- c. they 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. they have prepared the annual accounts on a going concern basis.
- e. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.

- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

27. GREEN INITIATIVE

The Ministry of Corporate Affairs ('MCA') has taken a Green Initiative in Corporate Governance by permitting electronic mode for service of documents to members after considering relevant provisions of the Information Technology Act, 2000 and Companies Act, 2013 and Rules made thereunder.

Pursuant to provisions of Companies Act, 2013, service of documents to Members can be made by electronic mode on the E-mail Id provided for the purpose of communication. If a member has not registered an E-mail Id, other permitted modes of service would continue to be applicable.

Your Company sincerely appreciates members who have contributed towards furtherance of Green Initiative. We further appeal to other Members to contribute towards furtherance of Green Initiative by opting for electronic communication.

Members who have not provided their email address will continue to receive communications, dissemination, notice(s), documents etc. via permitted mode of service of documents. Further, the members who request for physical copies, will be provided the same.

28. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions for the same during the year under review:

- Deposits covered under Chapter V of the Companies Act, 2013;
- Material changes and/ or commitments that could affect the Company's financial position, which have occurred between the end of the financial year of the Company and the date of this report;
- Non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013 read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014;
- Receipt of any remuneration or commission from any of its subsidiary companies by the Whole-time Director of the Company;

- Maintenance of cost records as per sub-section (1) of Section 148 of the Companies Act, 2013;
- Frauds reported as per Section 143(12) of the Companies Act, 2013.

29. APPRECIATION

Your Company has been able to operate efficiently because of the professionalism, creativity, integrity and continuous improvement in all functions and areas as well as efficient utilization of Companies' resources for sustainable and profitable growth.

The Directors hereby wish to place on record their appreciation of the efficient and loyal services

rendered by each employee with wholehearted effort for making satisfactory performance possible.

Your Directors thank the valued shareholders, customers, suppliers, Banks, and Registrar and Share Transfer Agent and Government Authorities for their continuous support to the Company.

On **behalf of the Board of Directors**

Place: Mumbai
Date: June 20, 2020

Sanjeev Agrawal
Chairman

Annexure A

Annual Report on CSR Activities For the Financial Year 2019-20

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The CSR Policy of the Company, as approved by the Board of Directors has been uploaded on the Company's website. The detailed CSR Policy may be accessed on web-link: <http://www.seamec.in/attachments/CSR%20Policy.pdf>

During the FY 2019-20, as a part of discharging Corporate Social Responsibility, the Company has voluntarily contributed towards CSR activities in the areas of providing Medicare to rural underprivileged and weaker sections of the society and for serving the Cancer Foundation.

2. **THE COMPOSITION OF THE CSR COMMITTEE:**

- a) Sanjeev Agrawal Chairman
- b) Seema Modi Member
- c) Deepak Shetty* Member

* The Corporate Social Responsibility Committee was re-constituted w.e.f. May 15, 2019 by inducting Mr. Deepak Shetty, Independent Director as the member of the Committee.

3. Average net profit of the Company for last three financial years: ₹ (786.77) million
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ (15.73) million
5. Details of CSR spent during the financial year.
 - (a) Total amount to be spent for the financial year: Not Applicable
 - (b) Amount unspent, if any: Not Applicable
 - (c) Manner in which the amount spent during the financial year 2019-20 is detailed below:

(Amount in ₹)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified.	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct Expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency.
1.	The Shakti Foundation	Medicare to rural underprivileged and weaker sections of the society	Chennai	2,50,000	2,50,000	2,50,000	Implementing Agency
2.	Jaganath Cancer Aid Foundation	Cancer Centre	Mumbai	1,00,000	1,00,000	1,00,000	Implementing Agency

6. Since the average net profit of preceding three financial years is in negative, hence the Company's CSR Contribution eligibility pursuant to the provisions of Section 135 of the Companies Act, 2013 for spending during the FY 2019-20 was NIL. However, your Company has voluntarily contributed ₹ 3,50,000 during the year under review.

The Committee confirms that the implementation and monitoring of CSR policy is in accordance with the CSR objectives and policy of the Company.

On behalf of the CSR Committee

Sanjeev Agrawal
Chairman

Place: Mumbai
Date: June 20, 2020

On behalf of the Board of Directors

Sanjeev Agrawal
Chairman

Contents of CSR Policy

SEAMEC CSR initiatives focus on holistic development of host of communities and to create and foster intrinsic and extrinsic social, environmental and economic value to the society. The Corporate principles of the Company are committed towards sustainable development and inclusive growth. The Company constantly strives to ensure a strong corporate culture to pursue initiatives related to Quality management, environment preservation and social awareness.

To pursue its CSR objectives, the Company outlined the scope of its CSR activities in line with the areas / subjects / activities specified under Schedule VII of the Companies Act, 2013 specified, which include the following:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts.
- measures for the benefit of armed forces veterans, war widows and their dependents.
- training to promote rural sports, nationally recognized sports, paralympic sports and olympic sports.
- contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.
- Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organization (DRDO), Department of Biotechnology (DBT), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- rural development projects.
- slum area development.
- disaster management, including relief, rehabilitation and reconstruction activities.



Annexure B

EXTRACT OF THE ANNUAL RETURN

as on the financial year ended March 31, 2020

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

FORM MGT-9

I. REGISTRATION AND OTHER DETAILS

CIN	L63032MH1986PLC154910
Registration Date	December 29, 1986
Name of the Company	SEAMEC LIMITED
Category / Sub-Category of the Company	Company Limited by Shares
Address of the Registered Office and Contact details	9 th Floor, A 901 - 905, 215 Atrium, Andheri Kurla Road, Andheri East, Mumbai-400093, Maharashtra, INDIA
Whether listed Company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	C B Management Services Private Limited P-22, Bondel Road, 2 nd Floor, Kolkata-700 019 Tel: (033) 4011 6700/6711/6723 Fax: (033) 4011 6739 Email: rta@cbmsl.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:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	SHIPPING	09101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	Name and Address of The Company	CIN/GLN	Holding/ subsidiary/ associate	% of shares held	Applicable section
1.	HAL Offshore Limited Add - 4 wing B/Plot No.32 Corporate Avenue Premises, Off Mahakali Caves Road, Village Gundavali Paper Box, Mumbai - MH 400093	U24298DL1996PLC083879	Holding Company	69.57	2 (46)
2.	Seamec International FZE Add - 4E A 102, Dubai Airport Free Zone, P.O Box 293689, Dubai, UAE	Foreign Company	Wholly Owned Subsidiary	100	2(87)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Shareholding

Category of Shareholder	Number of shares held at the beginning of the year April 1, 2019				Number of shares held at the end of the year March 31, 2020				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
(a) Individual/ HUF	-	-	-	-	495,116	-	495,116	1.95	1.95
(b) Central Government	-	-	-	-	-	-	-	-	-
(c) State Government(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	17,687,475	-	17,687,475	69.57	17,687,475	-	17,687,475	69.57	-
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub Total(A)(1)	17,687,475	-	17,687,475	69.57	18,182,591	-	18,182,591	71.51	1.95
(2) Foreign									
(a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	17,687,475	-	17,687,475	69.57	18,182,591	-	18,182,591	71.51	1.95
B. Public shareholding									
1. Institutions									
(a) Mutual Funds	-	4,200	4,200	0.02	-	4,200	4,200	0.02	-
(b) Banks/FI	34,100	100	34,200	0.13	30,517	100	30,617	0.12	(0.01)
(c) Central Government	5,601	-	5,601	0.02	5,601	-	5,601	0.02	-
(d) State Government(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Foreign Portfolio Investor	837,327	-	837,327	3.29	662,000	-	662,000	2.60	(0.69)
(j) Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	877,028	4,300	881,328	3.47	698,118	4,300	702,418	2.76	(0.70)
2. Non-institutions									
(a) Bodies Corporate									
(i) Indian	1,708,753	5,200	1,713,953	6.74	1,761,470	5,200	1,766,670	6.95	0.21
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	1,748,595	359,945	2,108,540	8.29	1,445,802	339,876	1,785,678	7.02	(1.27)
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	2,741,498	-	2,741,498	10.78	2,716,850	-	2,716,850	10.69	(0.10)
(c) Others (specify)									
(i) Foreign National	-	-	-	-	-	-	-	-	-
(ii) Non-Resident Individuals	43,455	10,700	54,155	0.21	45,058	10,700	55,758	0.22	0.01
(iii) Clearing Members	26,943	-	26,943	0.11	5,959	-	5,959	0.02	(0.08)
(iv) Investor Education And Protection Fund	211,108	-	211,108	0.83	209,076	-	209,076	0.82	(0.01)
Sub-Total (B)(2)	6,480,352	375,845	6,856,197	26.97	6,184,215	355,776	6,539,991	25.72	(1.24)
Total Public Shareholding (B)= (B)(1)+(B)(2)	7,357,380	380,145	7,737,525	30.43	6,882,333	360,076	7,242,409	28.49	(1.95)
C. Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	25,044,855	380,145	25,425,000	100.00	25,064,924	360,076	25,425,000	100.00	-



(ii) Shareholding of Promoters (Including Promoter Group)

Sr. No	Shareholder's 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 Shares Pledged / encumbered to total shares	% of total Shares of the company	No. of Shares	%of Shares Pledged / encumbered to total shares	% of total Shares of the company	
Promoter:								
1	HAL Offshore Limited	17,687,475	-	69.57	17,687,475	-	69.57	-
Promoter Group:								
2.	Sanjeev Agrawal	-	-	-	395,466*	-	1.55	1.55
3.	Deepti Agrawal	-	-	-	99,650	-	0.39	0.39

* Mr. Sanjeev Agrawal, Chairman and member of Promoter Group of the Company held 2,21,877 equity shares of the Company as on December 31, 2019 and acquired additional 1,73,599 equity shares of the Company during the quarter ended March 31, 2020, aggregating his shareholding in the Company to 3,95,476. However, as per the download of shareholding pattern under various categories as of end of day of March 31, 2020, as received from the Depositories, the aggregating shareholding of Mr. Sanjeev Agrawal was 3,95,466, a difference of 10 shares, primarily understood due to settlement cycle of Depositories. Accordingly, the same has been disclosed above and in this extract of Annual Return to avoid any mismatch of holding in other categories of shareholders and the total number of issued, subscribed and paid-up shares of the Company.

(iii) Change in Promoters' (Including Promoter Group) Shareholding

Sr. No	Name of the Shareholder	Shareholding at the beginning of the year (as on April 1, 2019)		Date	Reason	Increase / (decrease) in shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Promoter:									
1.	HAL Offshore Limited	17,687,475	69.57	-	-	-	-	17,687,475	69.57
Promoter Group:									
2.	Sanjeev Agrawal	-	-	17.09.2019	Bought from the Open Market	15,877	0.06	15,877	0.06
		-	-	18.09.2019	Bought from the Open Market	18,000	0.07	33,877	0.13
		-	-	19.09.2019	Bought from the Open Market	25,000	0.10	58877	0.23
		-	-	24.09.2019	Bought from the Open Market	1,00,000	0.39	1,58,877	0.62
		-	-	25.09.2019	Bought from the Open Market	63,000	0.25	2,21,877	0.87
		-	-	25.03.2020	Bought from the Open Market	1,73,599	0.68	3,95,476	1.56
3.	Deepti Agrawal	-	-	26.09.2019	Bought from the Open Market	44,000	0.17	44,000	0.17
		-	-	27.09.2019	Bought from the Open Market	6,650	0.03	50,650	0.20
		-	-	30.09.2019	Bought from the Open Market	30,550	0.12	81,200	0.32
		-	-	27.11.2019	Bought from the Open Market	7,600	0.03	88,800	0.35
		-	-	28.11.2019	Bought from the Open Market	7,285	0.03	96,085	0.38
		-	-	29.11.2019	Bought from the Open Market	3,565	0.01	99,650	0.39

(iv) Shareholding Pattern of top 10 Shareholders (other than Directors, Promoters and Holders of ADRs and GDRs):

Sr. No.	Name of the Shareholder	Remarks	Shareholding / Transaction Date	Shareholding		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Algomind Capital Fund	At the beginning of the year	01-04-2019	837,000	3.29	837,000	3.29
		Decrease	31-03-2020	175,000	0.69	662,000	2.6
		At the end of the year	31-03-2020			662,000	2.6
2	O.J. FINANCIAL SERVICES LIMITED	At the beginning of the year	01-04-2019	581,114	2.29	581,114	2.29
		Decrease	05-04-2019	36,475	0.14	544,639	2.14
		Decrease	12-04-2019	1,799	0.01	542,840	2.14
		Decrease	19-04-2019	7,223	0.03	535,617	2.11
		Increase	26-04-2019	50	0	535,667	2.11
		Increase	03-05-2019	8,970	0.04	544,637	2.14
		Increase	10-05-2019	35	0	544,672	2.14
		Decrease	17-05-2019	10	0	544,662	2.14
		Decrease	24-05-2019	6,021	0.02	538,641	2.12
		Increase	31-05-2019	30	0	538,671	2.12
		Increase	07-06-2019	11,980	0.05	550,651	2.17
		Decrease	14-06-2019	15	0	550,636	2.17
		Decrease	21-06-2019	5,105	0.02	545,531	2.15
		Increase	05-07-2019	55	0	545,586	2.15
		Increase	12-07-2019	60	0	545,646	2.15
		Increase	19-07-2019	5,025	0.02	550,671	2.17
		Increase	26-07-2019	5,030	0.02	555,701	2.19
		Decrease	02-08-2019	75	0	555,626	2.19
		Increase	09-08-2019	45	0	555,671	2.19
		Decrease	16-08-2019	101	0	555,570	2.19
		Increase	23-08-2019	10	0	555,580	2.19
		Decrease	30-08-2019	46	0	555,534	2.18
		Increase	06-09-2019	10	0	555,544	2.19
		Decrease	13-09-2019	10	0	555,534	2.18
		Increase	20-09-2019	10	0	555,544	2.19
		Decrease	27-09-2019	28,329	0.11	527,215	2.07
		Decrease	30-09-2019	36,990	0.15	490,225	1.93
		Increase	04-10-2019	20	0	490,245	1.93
		Increase	11-10-2019	30	0	490,275	1.93
		Increase	18-10-2019	35	0	490,310	1.93
		Increase	25-10-2019	10,760	0.04	501,070	1.97
		Decrease	01-11-2019	25	0	501,045	1.97
		Decrease	08-11-2019	20	0	501,025	1.97
		Increase	15-11-2019	1,000	0	502,025	1.97
		Decrease	22-11-2019	1,025	0	501,000	1.97
		Increase	29-11-2019	35	0	501,035	1.97
		Decrease	06-12-2019	35	0	501,000	1.97
		Decrease	31-03-2020	79,990	0.31	421,010	1.66
		At the end of the year	31-03-2020			421,010	1.66
3	SUNIL KUMAR BHALA HUF	At the beginning of the year	01-04-2019	368,783	1.45	368,783	1.45
		Increase	05-07-2019	6,822	0.03	375,605	1.48
		Increase	06-09-2019	14,595	0.06	390,200	1.53
		Increase	30-09-2019	4,000	0.02	394,200	1.55
		Decrease	04-10-2019	3,550	0.01	390,650	1.54
		Increase	22-11-2019	2,067	0.01	392,717	1.54
		Increase	29-11-2019	979	0	393,696	1.55
		Increase	31-12-2019	2,000	0.01	395,696	1.56
		Decrease	31-03-2020	70,000	0.28	325,696	1.28
		At the end of the year	31-03-2020			325,696	1.28
4	RAHUL GANGWANI	At the beginning of the year	01-04-2019	247,897	0.98	247,897	0.98
		Decrease	24-05-2019	20,000	0.08	227,897	0.9
		Increase	28-06-2019	4,200	0.02	232,097	0.91
		Decrease	05-07-2019	10,000	0.04	222,097	0.87
		Increase	12-07-2019	4,000	0.02	226,097	0.89
		Decrease	19-07-2019	7,500	0.03	218,597	0.86
		Decrease	06-09-2019	218,597	0.86	-	0
		At the end of the year	31-03-2020			-	0



Sr. No.	Name of the Shareholder	Remarks	Shareholding / Transaction Date	Shareholding		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
5	PUJA GUPTA	At the beginning of the year	01-04-2019	214,490	0.84	214,490	0.84
		Increase	05-04-2019	581	0	215,071	0.85
		Decrease	12-04-2019	1,205	0	213,866	0.84
		Increase	26-04-2019	1,451	0.01	215,317	0.85
		Increase	03-05-2019	52	0	215,369	0.85
		Decrease	10-05-2019	7,069	0.03	208,300	0.82
		Increase	17-05-2019	8,111	0.03	216,411	0.85
		Increase	24-05-2019	13,988	0.06	230,399	0.91
		Increase	31-05-2019	6,842	0.03	237,241	0.93
		Increase	07-06-2019	3,535	0.01	240,776	0.95
		Increase	14-06-2019	7,798	0.03	248,574	0.98
		Increase	21-06-2019	3,754	0.01	252,328	0.99
		Increase	28-06-2019	6,562	0.03	258,890	1.02
		Increase	05-07-2019	5	0	258,895	1.02
		Increase	12-07-2019	1	0	258,896	1.02
		Increase	26-07-2019	8,643	0.03	267,539	1.05
		Increase	02-08-2019	863	0	268,402	1.06
		Increase	09-08-2019	4,855	0.02	273,257	1.07
		Decrease	23-08-2019	800	0	272,457	1.07
		Increase	30-08-2019	15	0	272,472	1.07
		Increase	06-09-2019	710	0	273,182	1.07
		Increase	13-09-2019	56	0	273,238	1.07
		Decrease	27-09-2019	10,007	0.04	263,231	1.04
		Decrease	30-09-2019	231	0	263,000	1.03
		Increase	18-10-2019	14,135	0.06	277,135	1.09
		Increase	01-11-2019	4	0	277,139	1.09
		Decrease	08-11-2019	139	0	277,000	1.09
		Decrease	22-11-2019	3,750	0.01	273,250	1.07
		Decrease	29-11-2019	70	0	273,180	1.07
		Increase	13-12-2019	1,538	0.01	274,718	1.08
		Increase	03-01-2020	2,500	0.01	277,218	1.09
		Decrease	10-01-2020	6,120	0.02	271,098	1.07
		Decrease	24-01-2020	40	0	271,058	1.07
		Decrease	31-01-2020	1,531	0.01	269,527	1.06
		Decrease	07-02-2020	11,946	0.05	257,581	1.01
		Decrease	14-02-2020	948	0	256,633	1.01
		Decrease	21-02-2020	12,009	0.05	244,624	0.96
		Decrease	28-02-2020	7,690	0.03	236,934	0.93
		Decrease	06-03-2020	25,820	0.1	211,114	0.83
		Decrease	13-03-2020	40,845	0.16	170,269	0.67
		Increase	31-03-2020	73,158	0.29	243,427	0.96
		At the end of the year	31-03-2020			243,427	0.96
6	PUESH KUMAR GUPTA	At the beginning of the year	01-04-2019	203,505	0.8	203,505	0.8
		Decrease	05-04-2019	934	0	202,571	0.8
		Increase	12-04-2019	1,161	0	203,732	0.8
		Decrease	19-04-2019	625	0	203,107	0.8
		Increase	26-04-2019	4,115	0.02	207,222	0.82
		Increase	03-05-2019	172	0	207,394	0.82
		Increase	10-05-2019	3,270	0.01	210,664	0.83
		Increase	17-05-2019	6,080	0.02	216,744	0.85
		Increase	24-05-2019	846	0	217,590	0.86
		Increase	31-05-2019	11,871	0.05	229,461	0.9
		Increase	07-06-2019	3,836	0.02	233,297	0.92
		Increase	14-06-2019	9,349	0.04	242,646	0.95
		Increase	21-06-2019	2,195	0.01	244,841	0.96
		Increase	28-06-2019	12,442	0.05	257,283	1.01
		Increase	05-07-2019	3,764	0.01	261,047	1.03
		Increase	12-07-2019	7,180	0.03	268,227	1.05
		Increase	26-07-2019	5,518	0.02	273,745	1.08
		Decrease	23-08-2019	800	0	272,945	1.07
		Increase	30-08-2019	15	0	272,960	1.07
		Decrease	27-09-2019	5,183	0.02	267,777	1.05
		Decrease	30-09-2019	777	0	267,000	1.05
		Increase	18-10-2019	28,850	0.11	295,850	1.16
		Increase	01-11-2019	3	0	295,853	1.16
		Increase	15-11-2019	147	0	296,000	1.16
		Decrease	22-11-2019	4,000	0.02	292,000	1.15

Sr. No.	Name of the Shareholder	Remarks	Shareholding / Transaction Date	Shareholding		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		Decrease	29-11-2019	76	0	291,924	1.15
		Increase	13-12-2019	1,050	0	292,974	1.15
		Increase	03-01-2020	2,500	0.01	295,474	1.16
		Decrease	10-01-2020	6,555	0.03	288,919	1.14
		Decrease	24-01-2020	40	0	288,879	1.14
		Decrease	31-01-2020	1,450	0.01	287,429	1.13
		Decrease	07-02-2020	11,929	0.05	275,500	1.08
		Decrease	14-02-2020	947	0	274,553	1.08
		Increase	21-02-2020	728	0	275,281	1.08
		Decrease	28-02-2020	17,838	0.07	257,443	1.01
		Decrease	06-03-2020	22,802	0.09	234,641	0.92
		Decrease	13-03-2020	39,851	0.16	194,790	0.77
		Increase	31-03-2020	70,062	0.28	264,852	1.04
		At the end of the year	31-03-2020			264,852	1.04
7	MEHAK INFRACON PRIVATE LIMITED	At the beginning of the year	01-04-2019	188,004	0.74	188,004	0.74
		Increase	30-08-2019	5,500	0.02	193,504	0.76
		Decrease	22-11-2019	1,000	0	192,504	0.76
		Increase	06-12-2019	498	0	193,002	0.76
		Increase	13-12-2019	502	0	193,504	0.76
		At the end of the year	31-03-2020			193,504	0.76
8	RIYA GANGWANI	At the beginning of the year	01-04-2019	171,505	0.67	171,505	0.67
		Increase	06-09-2019	218,597	0.86	390,102	1.53
		At the end of the year	31-03-2020			390,102	1.53
9	DELFINA SECURITES PVT LTD	At the beginning of the year	01-04-2019	156,122	0.61	156,122	0.61
		Increase	05-04-2019	25,000	0.1	181,122	0.71
		Increase	12-04-2019	4,000	0.02	185,122	0.73
		Increase	19-04-2019	5,000	0.02	190,122	0.75
		Decrease	03-05-2019	9,000	0.04	181,122	0.71
		Increase	10-05-2019	25,000	0.1	206,122	0.81
		Increase	24-05-2019	5,000	0.02	211,122	0.83
		Increase	21-06-2019	5,000	0.02	216,122	0.85
		Decrease	05-07-2019	50,000	0.2	166,122	0.65
		Decrease	19-07-2019	5,000	0.02	161,122	0.63
		Increase	26-07-2019	45,000	0.18	206,122	0.81
		Increase	31-03-2020	80,000	0.31	286,122	1.13
		At the end of the year	31-03-2020			286,122	1.13
10	PRIYANKA GUPTA	At the beginning of the year	01-04-2019	131,767	0.52	131,767	0.52
		Increase	12-04-2019	198	0	131,965	0.52
		Increase	19-04-2019	2	0	131,967	0.52
		Decrease	26-04-2019	6,569	0.03	125,398	0.49
		Increase	10-05-2019	7,505	0.03	132,903	0.52
		Increase	17-05-2019	5,000	0.02	137,903	0.54
		Increase	24-05-2019	778	0	138,681	0.55
		Decrease	07-06-2019	578	0	138,103	0.54
		Increase	14-06-2019	9,914	0.04	148,017	0.58
		Increase	21-06-2019	4,134	0.02	152,151	0.6
		Increase	28-06-2019	7,675	0.03	159,826	0.63
		Increase	05-07-2019	14	0	159,840	0.63
		Increase	12-07-2019	6	0	159,846	0.63
		Increase	26-07-2019	2,539	0.01	162,385	0.64
		Increase	02-08-2019	1,259	0	163,644	0.64
		Increase	09-08-2019	3,458	0.01	167,102	0.66
		Decrease	16-08-2019	55	0	167,047	0.66
		Decrease	30-08-2019	793	0	166,254	0.65
		Decrease	06-09-2019	53	0	166,201	0.65
		Decrease	27-09-2019	22,134	0.09	144,067	0.57
		Increase	04-10-2019	3,431	0.01	147,498	0.58
		Increase	11-10-2019	1,000	0	148,498	0.58
		Increase	18-10-2019	11,623	0.05	160,121	0.63
		Decrease	25-10-2019	144	0	159,977	0.63
		Increase	01-11-2019	1	0	159,978	0.63
		Decrease	08-11-2019	130	0	159,848	0.63
		Increase	15-11-2019	123	0	159,971	0.63
		Decrease	29-11-2019	1,000	0	158,971	0.63
		Increase	06-12-2019	395	0	159,366	0.63



Sr. No.	Name of the Shareholder	Remarks	Shareholding / Transaction Date	Shareholding		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		Decrease	13-12-2019	5,000	0.02	154,366	0.61
		Increase	10-01-2020	3,134	0.01	157,500	0.62
		Decrease	07-02-2020	14,798	0.06	142,702	0.56
		Decrease	14-02-2020	10,196	0.04	132,506	0.52
		Increase	28-02-2020	11,500	0.05	144,006	0.57
		Decrease	06-03-2020	1,700	0.01	142,306	0.56
		Decrease	13-03-2020	4,354	0.02	137,952	0.54
		Increase	31-03-2020	17,948	0.07	155,900	0.61
		At the end of the year	31-03-2020			155,900	0.61
		At the beginning of the year	01-04-2019	23,278	0.09	23,278	0.09
		Decrease	05-04-2019	2,640	0.01	20,638	0.08
		Increase	12-04-2019	8,108	0.03	28,746	0.11
		Decrease	19-04-2019	47	0	28,699	0.11
		Decrease	26-04-2019	2,169	0.01	26,530	0.1
		Increase	03-05-2019	6,554	0.03	33,084	0.13
		Decrease	10-05-2019	3,876	0.02	29,208	0.11
		Decrease	17-05-2019	1,309	0.01	27,899	0.11
		Decrease	24-05-2019	3,841	0.02	24,058	0.09
		Decrease	31-05-2019	793	0	23,265	0.09
		Increase	07-06-2019	3,271	0.01	26,536	0.1
		Increase	14-06-2019	3,863	0.02	30,399	0.12
		Decrease	21-06-2019	4,296	0.02	26,103	0.1
		Decrease	28-06-2019	8,574	0.03	17,529	0.07
		Increase	05-07-2019	618	0	18,147	0.07
		Increase	12-07-2019	2,719	0.01	20,866	0.08
		Increase	19-07-2019	6,524	0.03	27,390	0.11
		Decrease	26-07-2019	945	0	26,445	0.1
		Decrease	02-08-2019	399	0	26,046	0.1
		Increase	09-08-2019	2,084	0.01	28,130	0.11
		Increase	16-08-2019	2,008	0.01	30,138	0.12
		Increase	23-08-2019	10,323	0.04	40,461	0.16
		Decrease	30-08-2019	219	0	40,242	0.16
		Decrease	06-09-2019	14,544	0.06	25,698	0.1
		Increase	13-09-2019	6,719	0.03	32,417	0.13
		Increase	20-09-2019	15,231	0.06	47,648	0.19
		Decrease	27-09-2019	20,483	0.08	27,165	0.11
		Decrease	30-09-2019	2,065	0.01	25,100	0.1
		Increase	04-10-2019	3,450	0.01	28,550	0.11
		Decrease	11-10-2019	4,250	0.02	24,300	0.1
		Increase	18-10-2019	1,427	0.01	25,727	0.1
		Decrease	25-10-2019	27	0	25,700	0.1
		Decrease	01-11-2019	34	0	25,666	0.1
		Increase	08-11-2019	7,155	0.03	32,821	0.13
		Decrease	15-11-2019	6,881	0.03	25,940	0.1
		Increase	22-11-2019	6,675	0.03	32,615	0.13
		Decrease	29-11-2019	3	0	32,612	0.13
		Decrease	06-12-2019	882	0	31,730	0.12
		Decrease	13-12-2019	931	0	30,799	0.12
		Increase	20-12-2019	2,214	0.01	33,013	0.13
		Increase	27-12-2019	686	0	33,699	0.13
		Decrease	31-12-2019	2,000	0.01	31,699	0.12
		Increase	03-01-2020	200	0	31,899	0.13
		Increase	10-01-2020	3,569	0.01	35,468	0.14
		Decrease	17-01-2020	1,145	0	34,323	0.13
		Increase	24-01-2020	1,055	0	35,378	0.14
		Decrease	31-01-2020	255	0	35,123	0.14
		Decrease	07-02-2020	16	0	35,107	0.14
		Increase	14-02-2020	2,000	0.01	37,107	0.15
		Decrease	21-02-2020	2,550	0.01	34,557	0.14
		Increase	28-02-2020	4,300	0.02	38,857	0.15
		Increase	06-03-2020	10,577	0.04	49,434	0.19
		Increase	13-03-2020	64,404	0.25	113,838	0.45
		Increase	31-03-2020	66,190	0.26	180,028	0.71
		At the end of the year	31-03-2020			180,028	0.71

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Name of the Director / KMP	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Sanjeev Agrawal (Non-Executive Director)				
	At the beginning of the year	-	-	-	-
	At the end of the year	395,476	1.56	395,476	1.56

Note: Except as stated above, none of the Directors or Key Managerial Personnel of the Company hold any shares of the Company.

V. Indebtedness

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

(₹ In million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2019)				
i) Principal Amount	34.69	00	00	34.69
ii) Interest due but not paid	00	00	00	00
iii) Interest accrued but not due	00	00	00	00
Total (i + ii + iii)	34.69	00	00	34.69
Change in Indebtedness during the financial year				
Addition	00	00	00	00
Reduction	(34.69)	00	00	(34.69)
Net Change	(34.69)	00	00	(34.69)
Indebtedness at the end of the financial year (31.03.2020)				
i) Principal Amount	00	00	00	00
ii) Interest due but not paid	00	00	00	00
iii) Interest accrued but not due	00	00	00	00
Total (i + ii + iii)	00	00	00	00

VI. Remuneration of Directors and Key Managerial Personnel**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Mr. Naveen Mohta, Whole Time Director of the Company is appointed on secondment from HAL Offshore Limited, the Holding Company. He is paid remuneration by HAL Offshore Limited.

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of the Director					Total Amount
		Sanjeev Agrawal	Surinder Singh Kohli	Deepak Shetty	Seema Modi	Subrat Das	
	Independent Directors						
	Fee for attending board / committee meetings	Nil	4,70,000	3,70,000	4,80,000	NIL	13,20,000
	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	Nil	4,70,000	3,70,000	4,80,000	NIL	13,20,000



Sr. No.	Particulars of Remuneration	Sanjeev Agrawal	Surinder Singh Kohli	Deepak Shetty	Seema Modi	Subrat Das	Total Amount
	Other Non-Executive Directors						
	Fee for attending board / committee meetings	NIL	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)+(2)	Nil	4,70,000	3,70,000	4,80,000	NIL	13,20,000

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		President and Chief Financial Officer - Mr. V.K. Gupta*	President – Corporate Affairs, Legal & Company Secretary Mr. S.N. Mohanty	Chief Financial Officer – Mr. Vinay Kumar Agarwal**	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	35,61,812	66,00,264	29,39,850	1,31,01,926
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	39,600	24,300	63,900
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission	NIL	NIL	NIL	NIL
	- as % of profit				
	- others, specify...				
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	35,61,812	66,39,864	29,64,150	1,31,65,826

* Mr. V.K. Gupta, President and Chief Financial Officer relinquished his office with effect from June 30, 2020.

** Mr. Vinay Kumar Agarwal has been appointed as Chief Financial Officer of the Company with effect from August 9, 2019.

VII. Penalties / Punishment/ Compounding Of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

Annexure C

FORM MR – 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

To,
The Members,
SEAMEC LIMITED
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SEAMEC LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents, authorized representatives and the explanations and clarifications given to us and representations made by Management during the conduct of secretarial audit and considering the relaxations granted by Ministry of Corporate Affairs(MCA) and Securities and Exchange Board of India (SEBI) due to outbreak of the COVID- 19 Pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2020, 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:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2020 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - During the year under review, the Company has not issued any security.
 - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - During the year under review, the Company has not brought back any of its Securities.
 - e. 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;
 - f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - During the year under review, the Company has not issued any shares/ securities to its employee.
 - g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - During the year under review, the Company has not issued any debt securities.
 - h. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
 - During the year under review, the Company has not issued any Non-Convertible and Redeemable Preference Shares.
 - i. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



During the year under review, the Company has received declaration from the Promoters, Directors and Senior Managerial Personnel as required under the regulation regarding the holding of Company's securities and there was no trading in the securities of the Company by the Promoters, Directors and Senior Managerial Personnel except acquisition by members of Promoter Group aggregating to 495,126 equity shares accounting for 1.95% of the total paid up equity share capital of the Company in compliance with applicable regulatory requirements.

(vi) Other laws as applicable specifically to the Company as identified by the management, that is to say:

- a. The Shop and Establishment Act, 1948
- b. The Employees' Provident Fund & Miscellaneous Provisions Act, 1952
- c. The Payment of Gratuity Act 1972 & Rules
- d. The Merchant Shipping Act, 1958
- e. The Maritime Labour Convention 2006
- f. The Customs Act, 1962

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by Company with National Stock Exchange (NSE) of India Limited and Bombay Stock Exchange (BSE) Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

We further report The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the

Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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.

We further report that during the audit period the Company has following events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

The Company has altered its Memorandum of Association of the Company by adding following new objects in main objects of the Company in Clause III of Memorandum of Association by passing Special resolution through Postal Ballot dated March 27, 2020, as per section 110, Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014.

"To carry on the business of planning, executing and advising on infrastructure, engineering and construction projects whether in India or in any part of the world either singly or in combination by way of technical collaboration or joint venture or otherwise with other entities/ body corporate(s), including the survey, design, supply of material, manpower, equipment, transport, installation, construction, inspection, testing and commissioning of projects and related activities thereof."

For **Satyajit Mishra & Co.**
Company Secretaries

Place: Mumbai
Date: June 20, 2020

Satyajit Mishra
Proprietor
C.P. No.: 4997
UDIN: F005759B000359299

Annexure – 1

To,
The Members
Seamec Limited
Mumbai

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

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

For **Satyajit Mishra & Co.**
Company Secretaries

Satyajit Mishra
Proprietor

C.P. No.: 4997

UDIN: F005759B000359299

Place: Mumbai
Date: June 20, 2020



Annexure – D

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 arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis during the financial year ended March 31, 2020 – None
2. Details of material contracts or arrangement or transactions at arm's length basis:

Name of the Related Party	Nature of Relationship	Salient terms and Nature of Contracts / Arrangements / Transaction	Duration of Contracts/ Arrangements / Transaction	Date of approval by the Board of Directors	Amount paid as advances, if any
HAL Offshore Limited	Holding Company	Secondment of Mr. Naveen Mohta as the Whole Time Director of the Company	5 years commencing from November 14, 2017	14.11.2017	-
HAL Offshore Limited	Holding Company	Arrangement / Contract(s) between the Company and HAL Offshore Limited (Holding Company) for Charter hire of Company's vessel, providing allied services and all other activities permissible under object clause of the Company within the normal course of business	5 years commencing from March 27, 2020	06.02.2020	-
Sanjeev Agrawal	Non-Executive Director of the Company	Lease of office premises from Mrs. Deepti Agrawal, spouse of Mr. Sanjeev Agrawal, Non-Executive Director of the Company	9 years	14.11.2014	-

On behalf of the Board of Directors

Place: Mumbai
Date: June 20, 2020

Sanjeev Agrawal
Chairman

Annexure – E

Form No. AOC-1

(Pursuant to first proviso to Sub-Section (3) of Section 129 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statements of Subsidiaries/ Associate Companies/Joint Ventures

PART 'A' : SUBSIDIARIES

Sr. No	Name of the Subsidiary	SEAMEC INTERNATIONAL FZE
1.	Date since when subsidiary was acquired	14.03.2010
2.	Reporting period	April 1, 2019 to March 31, 2020
3.	Reporting Currency	USD
4.	Share capital	45.19
5.	Reserves and Surplus	917.93
6.	Total Liabilities excluding share capital and reserves	1057.42
7.	Total Assets	2036.97
8.	Investments	29.10
9.	Turnover / Total Income	186.60
10.	Profit Before Taxation	31.29
11.	Provisions for Taxation	---
12.	Profit after Taxation	31.29
13.	Proposed Dividend	-
14.	% of Share Holding	100%

* Exchange Rate of USD 1 = ₹ 75.39 for Balance Sheet items and ₹ 70.88 for Profit & Loss items for FY 2019-20.

- i. Names of the Subsidiaries which are yet to commence operations: None
- ii. Names of subsidiaries which have been liquidated and sold during the year: None

PART 'B': ASSOCIATE AND JOINT VENTURES: NONE

- i. Names of the Associates / Joint Ventures which are yet to commence operations: None
- ii. Names of Associates / Joint Ventures which have been liquidated or sold during the year: None

On behalf of the Board of Directors

Place: Mumbai
Date: June 20, 2020

Sanjeev Agrawal
Chairman



Annexure – F

Information under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the period ending March 31, 2020.

A. TECHNOLOGY ABSORPTION

The Company's activities, being in the service sector in oilfield operations, are currently confined only to rendering services offshore and providing bulk carrier services and do not necessitate expenditure on Research and Development. However, the standards of the particular industry regarding foreign technology absorption have largely been achieved indigenously.

B. FOREIGN EXCHANGE EARNINGS & EXPENDITURE

During the period under review, the Company's foreign exchange earnings were equivalent to ₹ 3473.37 million and foreign exchange expenditures was equivalent to ₹ 830.49 million. (This is on accrual basis.)

On behalf of the Board of Directors

Place: Mumbai
Date: June 20, 2020

Sanjeev Agrawal
Chairman

Annexure – G

Information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. Requirements of Rule 5(1) No.	Details
i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Directors: Mr. Sanjeev Agrawal - Nil Mr. Surinder Singh Kohli - Nil Mr. Deepak Shetty - Nil Mrs. Seema Modi - Nil Mr. Naveen Mohta - Nil Mr. Subrat Das - Nil
ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Directors: Mr. Sanjeev Agrawal - Nil Mr. Surinder Singh Kohli - Nil Mr. Deepak Shetty - Nil Mrs. Seema Modi - Nil Mr. Naveen Mohta - Nil Mr. Subrat Das - Nil Key Managerial Personnel: Mr. S. N. Mohanty – President – Corporate Affairs, Legal & Company Secretary – 9.94% Mr. Vinay Kumar Agarwal – Chief Financial Officer – NIL*
iii. The percentage increase/(decrease) in the median remuneration of employees in the financial year;	32.80%
iv. The number of permanent employees on the rolls of the company;	46 employees as on March 31, 2020.
v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average increase made in the salaries of employees other than key managerial personnel during the year is 11.27% versus 9.94% increase in managerial remuneration. There are no other exceptional circumstances for increase in the remuneration of key managerial personnel and increase in remuneration has been in accordance with the Company's policies. The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress.
vi. Affirmation that the remuneration is as per the remuneration policy of the company.	Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that Remuneration paid during the year ended March 31, 2020 is as per the Nomination and Remuneration Policy of the Company.



vii. The particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

- Details of employees employed throughout the year and in receipt of remuneration for that year which, in the aggregate, was not less than Rupees One Crore and two lakhs per annum: None.
- Details of employees employed for a part of the financial year and in receipt of remuneration for any part of the year, at a rate which, in aggregate, was not less than Rupees Eight lakhs and Fifty thousand per month: None.
- Details of employees employed throughout the financial year or part thereof and was in receipt of remuneration in the year and is in excess of the remuneration of the Managing Director or Whole Time Director: None.

viii. The information as per Rule 5(2) & Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request. In terms of Section 136 of the Companies Act 2013, the Report and Accounts are being sent to the members and others entitled thereto, excluding the aforesaid details, which is available for inspection by the members by sending request at contact@seamec.in up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such members may write to the Company in this regard on the said E-mail Id. Upon receipt of request, endeavor shall be made to dispatch a copy of the same, failing which an e-copy of the information shall be sent on the registered E-mail ID of the shareholder.

On behalf of the Board of Directors

Place: Mumbai
Date: June 20, 2020

Sanjeev Agrawal
Chairman

Report on Corporate Governance

In compliance with Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time the Company submits the Corporate Governance Report for the financial year ended March 31, 2020.

CORPORATE GOVERNANCE PHILOSOPHY

The Company's philosophy on Corporate Governance aims at management of an organization's activities in accordance with policies that are value-accretive for all stakeholders, upholding core values of transparency, professionalism, accountability, honesty and integrity in its functioning and conduct of business in due compliance of laws and regulations and attaining highest standard of business ethics and commitment to transparency in business dealings, essential for long term success. It is directed in such a way that it functions effectively keeping in view interest of customers, employees and retaining confidence of all the stakeholders. It adheres to its code of conduct formulated which serve as a guide to each employee on standards, values, ethics and principles. Through this robust Corporate Governance mechanism that interlinks values, ethics and positive culture, the Company aims to achieve long-term sustainability.

1. BOARD OF DIRECTORS

The Board of Directors of the Company comprises of six Directors, with one Whole Time Director, five Non-Executive Directors including the Chairman of the Company and three Independent Directors (including a Woman Director). All members of the Board are eminent persons with considerable professional expertise and experience. The Board consists of a balanced combination of Executive Directors and Independent Directors in accordance with the requirements of the Companies Act, 2013 and in compliance with the requirements of Regulation 17 of the Listing Regulations, as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

The Company has in place a succession plan for the Board of Directors and Senior Management of the Company.

The details of other Directorships/ Chairmanships and Memberships of Committees held by Directors of the Company as on March 31, 2020 is given below:

Name of the Director	Category	Directorships in Other Public Companies	Chairman in Committees of Other Public Companies	Member in Committees of Other Public Companies	Directorships in other Listed Entities
Mr. Sanjeev Agrawal (DIN: 00282059)	Non-Executive Chairman	1	-	1	1. Fortune Industrial Resources Limited
Mr. Surinder Singh Kohli (DIN: 00169907)	Non-Executive & Independent Director	7	2	4	1. Asian Hotels (West) Limited (Non-Executive, Independent Director) 2. Reliance Infrastructure Limited (Non-Executive, Independent Director)
Mr. Deepak Shetty (DIN: 07089315)	Non-Executive & Independent Director	3	-	4	1. Shreyas Shipping and Logistics Limited (Non-Executive, Independent Director) 2. Container Corporation of India Limited (Non-Executive, Independent Director)
Mrs. Seema Modi (DIN: 05327073)	Non-Executive & Independent Director	1	-	-	1. Huhtamaki PPL Limited (Additional Director to hold office of an Independent Director)
Mr. Naveen Mohta (DIN: 07027180)	Executive Director	1	-	1	-
Mr. Subrat Das (DIN: 07105815)	Non-Executive Director	-	-	-	-

**Note:**

* The above list of other directorships includes Public Companies (listed and unlisted) but does not include Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

It includes Chairmanship or Membership of the Audit Committee and Stakeholders' Relationship Committee of Public Companies (listed and unlisted) only.

None of the Directors of the Company are related to each other, inter-se.

None of the Directors on the Board serve as an Independent Director in more than seven listed companies. No Director is a member of more than ten Committees or acts as the Chairman of more than five Committees across all companies in which he or she is a Director.

The Board of Directors are of the opinion that all Independent Directors of the Company fulfill the conditions of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) and 25(8) of the Listing Regulations and hereby confirm that they are independent of the management.

During the FY 2019-20, none of the Independent Directors have resigned from the Board of the Company.

None of the Director(s) of the Company holds any equity shares as on March 31, 2020, except Mr. Sanjeev Agrawal, who holds 395,476 equity shares which accounts for 1.55% of the total paid-up equity share capital of the Company. However, a reconciliation difference of 10 equity shares has been observed in the aggregate shareholding of Mr. Sanjeev Agrawal as on March 31, 2020, as reported by him vis-à-vis data received from Registrar and Share Transfer Agent of the Company, primarily due to settlement cycle of Depositories.

Board Meetings

The Board Meeting is conducted at least once in every quarter to discuss the performance of the Company and its Quarterly Financial Results along with other matters. The Board also meets to consider other business(es), whenever required, from time to time. Agenda of the business(es) to be transacted at the Board Meeting along with notes thereto are circulated well in advance to the Board of Directors of the Company. The Company always ensures that Board members are presented with all the relevant information on vital matters affecting the working of the Company including the information as inter-alia specified under Part A of Schedule II of Regulation 17(7) of the Listing Regulations. Every Board Member is free to suggest the inclusion of any item on the agenda as supplementary agenda to the meeting and hold due discussions thereto.

During the FY 2019-20, four Board Meetings were held and the gap between two meetings did not exceed 120 days. The meeting(s) of the Board of Directors were held on May 15, 2019, August 09, 2019, November 13, 2019 and February 06, 2020.

The attendance of each Director at the Board Meeting and the last Annual General Meeting (AGM) is given under:

Name of the Directors	Particulars of attendance for the Board Meetings		Attendance for the last AGM held on August 09, 2019
	Meetings held during the Director's tenure	Board Meetings attended	
Mr. Sanjeev Agrawal	4	3	Yes
Mr. Surinder Singh Kohli	4	4	No
Mr. Deepak Shetty*	3	3	Yes
Mrs. Seema Modi	4	3	Yes
Mr. Naveen Mohta	4	3	Yes
Mr. Subrat Das	4	3	Yes

*Appointed as Additional Director to hold office of an Independent Director w.e.f May 15, 2019 and approved as Independent Director by shareholders at AGM held on August 9, 2019.

Separate Meeting of Independent Directors

In pursuance of the relaxations granted by Ministry of Corporate Affairs vide general circular no. 11/2020 dated March 24, 2020 read with Schedule IV of the Companies Act, 2013 and as per Regulation 25(3) of the Listing Regulations, separate meeting of Independent Directors of the Company was held through teleconference on May 15, 2020. The agenda was to review the performance of Non-Independent Directors (including the Chairperson), the entire Board and Committees thereof, quality, quantity and timeliness of the flow of information between the management and the Board.

All the Independent Directors of the Company participated in the meeting through secured means of teleconferencing.

The Independent Directors expressed their satisfaction with reference to governance standards adopted by the Company and advised strategic road-map for overall functioning of Board processes and Company management.

Terms and Conditions of appointment of Independent Directors

All the Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 and the Listing Regulations. Formal letters of appointment have been issued to the Independent Directors. As required by Regulation 46 of the Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at www.seamec.in.

Familiarization Programme

At the time of appointment, the Independent Directors are made aware of their roles and responsibilities through a formal letter of appointment which stipulates various terms and conditions. At Board and Committee meetings, the key managerial personnel of the Company make presentations to the Board Members on a periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, etc., and seek their opinions and suggestions on the same. All Directors attend the familiarization programs as these are scheduled in convenience of their itinerary. The Statutory Auditors, Internal Auditors and key managerial personnel of the Company also make presentations to the Board of Directors with regard to regulatory changes from time to time.

The details of training programs attended by the Independent Directors has been posted on the Company's website at the web link: <http://seamec.in/attachments/FAMILIARISATION-ID.pdf>.

Matrix of skills / expertise/ competencies of the Board of Directors

The Board of the Company comprises of qualified members with the required skills, competence and expertise for effective contribution to the Board and its Committee. The Board members are committed to ensure that the Company is in compliance with the standards of Corporate Governance.

The table below summarizes the list of core skills/ expertise/ competencies identified by the Board of Directors for effectively conducting the business of the Company and which are available with the Board. The table also mentions the specific areas of expertise of individual Director against each skill/ expertise/ competence:

Core skills / expertise / competencies	Name of the Director
Leadership and Strategy Planning	Mr. Sanjeev Agrawal
Corporate Governance and General Management	Mr. Sanjeev Agrawal Mr. Surinder Singh Kohli Mr. Deepak Shetty Mrs. Seema Modi
Finance	Mr. Surinder Singh Kohli Mr. Deepak Shetty Mr. Subrat Das
Investment & Banking	Mr. Surinder Singh Kohli
Operations and Commercial	Mr. Naveen Mohta

The current composition of the Board meets the requirements of skills, experience and competencies as identified above.

Committees of the Board of Directors

In compliance with the requirements of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has constituted various Committees. These Committees are entrusted with such powers and functions as detailed in its respective terms of reference. Besides,

the approval(s), criteria of consideration of transactions and recommendations of the Committee serve as a road-map for the Board of Directors in governance and strategic decision making.

2. AUDIT COMMITTEE

The Audit Committee of the Company is duly constituted as per Regulation 18 of the Listing Regulations, read with the provisions of Section 177 of the Companies Act, 2013. All the Members of the Audit Committee are financially literate and capable of analysing Financial Statements of the Company.

The Audit Committee of the Company, inter-alia, provides assurance to the Board on the adequacy of the internal control system. The Committee periodically reviews financial reporting process and financial results, statement and disclosures, generally accepted accounting principles and on measures taken in safeguarding of assets of the Company, internal audit reports and internal control systems and procedures. The Committee discusses with its Internal Auditors and Statutory Auditors, the scope of audit findings, qualifications, if any, related party transactions and appraises the Board of Directors on the above.

The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors and the Board of Directors and oversees the financial reporting process. The President – Corporate Affairs, Legal and Company Secretary acts as the Secretary to the Audit Committee.

Terms of Reference of the Audit Committee are as follows:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause © of sub-section (3) of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;



- iii. Major accounting entries involving estimates based on the exercise of judgment by management;
- iv. Significant adjustments made in the financial statements arising out of audit findings;
- v. Compliance with listing and other legal requirements relating to financial statements;
- vi. Disclosure of any related party transactions; and
- vii. Modified opinion(s) in the draft audit report.
- e. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- f. 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;
- g. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h. Approval or any subsequent modification of transactions of the listed entity with related parties;
- i. Scrutiny of inter-corporate loans and investments;
- j. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- k. Evaluation of internal financial controls and risk management systems;
- l. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m. 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;
- n. Discussion with internal auditors of any significant findings and follow up there on;
- o. 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;
- p. 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;
- q. 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;
- r. To review the functioning of the whistle blower mechanism;
- s. Approval of appointment of Chief Financial Officer (i.e. the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, and background, etc. of the candidate;
- t. Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or the Listing Regulations or by any other regulatory authority; and
- u. Review of (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; (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 including (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations; (b) annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.
- v. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- w. Review the compliance of the provision of Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal controls are adequate and operating sufficiently and forward the said report with the comments / observations to the Board of Directors of the Company.

Audit Committee Meetings

During the FY 2019-20, four Audit Committee Meetings were held. The meetings were held on May 15, 2019, August 09, 2019, November 13, 2019 and February 06, 2020. The requisite quorum was present at all the meeting(s). The details of composition of Audit Committee and attendance of each Committee Member are as follows:

Name of the Member	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No. of meetings attended by the member
Mr. Deepak Shetty*	Chairman	3	3
Mr. Surinder Singh Kohli	Member	4	4
Mrs. Seema Modi	Member	4	3
Mr. Subrat Das	Member	4	3

* The Audit Committee was re-constituted w.e.f. May 15, 2019 by inducting Mr. Deepak Shetty, Independent Director as the Chairman of the Audit Committee.

3. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted in compliance with the requirements of Regulation 19 of the Listing Regulations read with the provisions of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee recommends the nomination of Directors, and carries out evaluation of performance of individual Directors. Besides, it recommends remuneration policy for Directors, Key Managerial Personnel and the Senior Management of the Company.

Terms of reference of the Nomination and Remuneration Committee are as follows:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees;
- Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Identify persons who are qualified to become Directors and persons who may be appointed in Key Managerial

and Senior Management positions in accordance with the criteria laid down in this policy;

- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel;
- Devise a Policy on diversity of Board of Directors;
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors; and
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Nomination and Remuneration Committee Meetings

During the FY 2019-20, three Nomination and Remuneration Committee Meetings were held. The meetings were held on May 15, 2019, August 09, 2019 and February 06, 2020. The requisite quorum was present at all the meeting(s). The President – Corporate Affairs, Legal and Company Secretary acts as the Secretary to the Nomination and Remuneration Committee. The details of composition of Nomination and Remuneration Committee and attendance of each Committee Member are as follows:

Name of the Member	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No. of meetings attended by the member
Mr. Surinder Singh Kohli	Chairman	3	3
Mr. Deepak Shetty*	Member	1	1
Mrs. Seema Modi	Member	3	2
Mr. Sanjeev Agrawal	Member	3	3

* The Nomination and Remuneration Committee was re-constituted w.e.f. November 13, 2019 by inducting Mr. Deepak Shetty, Independent Director as the Member of the Nomination and Remuneration Committee.

Performance Evaluation Criteria for Board of Directors

The Board of Directors of the Company carried out an annual evaluation of its own performance, Committees of the Board and individual directors pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations. The performance evaluation is conducted through structured questionnaires which cover various aspects viz. the Board composition and structure, effectiveness and contribution to Board processes, adequacy, appropriateness and timeliness of information and the overall functioning of the Board. The Individual Directors response to the questionnaire on the performance of the Board, Board Committee(s), Directors

and Chairman, were evaluated. The Directors expressed their satisfaction with regards to the evaluation process.

In compliance with Regulation 19 read with Part D of Schedule II of the Listing Regulations, the Nomination and Remuneration Committee has formulated criteria for performance evaluation of the Independent Directors. The performance evaluation of Independent Directors is carried out based on their role and responsibilities, effective participation in the Board and Committee meetings, expertise, skills and exercise of independent judgment in major decisions of the Company.



4. REMUNERATION OF DIRECTORS

The non-executive Directors are entitled to sitting fees for attending the meetings of the Board of Directors and Committees thereof. Sitting fees paid to non-executive Directors are within the prescribed limits under the Companies Act, 2013 and as determined by the Board of Directors from time to time. The criteria for making payments to Non-Executive Directors is placed on the website of the Company at www.seamec.in.

The sitting fees and incidental expenses for participation in the Board / Committee meetings paid to Non-Executive Independent Directors for the financial year 2019-20 are as under:

				(₹)
Name of the Director	Designation	Sitting Fees	Incidental Expenses	Total
Mr. Surinder Singh Kohli	Independent Director	4,10,000	60,000	4,70,000
Mr. Deepak Shetty	Independent Director	3,25,000	45,000	3,70,000
Ms. Seema Modi	Independent Director	4,10,000	70,000	4,80,000

Except as stated above, the Company does not have any pecuniary relationship or transactions with any of the Directors, including Independent Directors.

The agreement with the Whole Time Director is for a specified period of five years commencing from November 14, 2017, subject to retirement policy of the Company. Either party to the agreement is entitled to terminate the agreement by giving not less than six months' notice in writing to the other party. No severance pay is payable on termination of agreement.

The performance criteria of the Directors have been laid down by the Nomination and Remuneration Committee in accordance with the Nomination and Remuneration Policy of the Company.

For the year under review, the Company does not have a scheme for grant of stock options nor has it issued any stock options to any of the Directors, senior management personnel or employees of the Company.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee of the Board has been constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. This Committee deals with stakeholder relations and grievances raised by the investors in a timely and effective manner and to the satisfaction of investors. The Committee oversees performance of the Registrar and Share Transfer Agents of the Company relating to investor services and recommends measures for improvement.

Mr. S.N. Mohanty, President – Corporate Affairs, Legal and Company Secretary is the Compliance Officer of the Company pursuant to the Listing Regulations.

Terms of reference of the Stakeholders' Relationship Committee are as follows:

- Resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Such other matters as may from time to time be required by any statutory or other regulatory requirements to be attended to by such Committee.

Stakeholders' Relationship Committee Meetings

During the FY 2019-20, five (5) Stakeholders' Relationship Committee Meetings were held. The meetings were held on May 15, 2019, July 12, 2019, August 09, 2019, November 13, 2019 and February 04, 2020. The requisite quorum was present at all the meeting(s). The President – Corporate Affairs, Legal and Company Secretary acts as the Secretary to the Stakeholders' Relationship Committee. The details of composition of Stakeholders' Relationship Committee and attendance of each Committee Member are as follows:

Name of the Member	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No. of meetings attended by the Chairperson/ member
Mrs. Seema Modi	Chairperson	5	5
Mr. Sanjeev Agrawal	Member	5	2
Mr. Naveen Mohta	Member	5	4

Investor Complaints

Complaints received during the period are as tabulated below:

Nature of Complaints	2019-20		2018-19	
	Received	Resolved	Received	Resolved
Relating to Transfer, Transmission etc., Dividend, Interest, Redemption etc., Change of address, Demat – Remat and others.	Nil	Nil	Nil	Nil
Received from SEBI, Stock Exchanges and other statutory authorities	1	1	2	2
Total	1	1	2	2

There are seven Civil Suits and five Consumer Forum Cases which are pending in various Courts & Forums.

The Company endeavours to settle all shareholder complaints in the minimum possible time.

6. GENERAL BODY MEETINGS

a. Annual General Meeting

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

Financial Year	Date and Time	Venue	Special Resolution(s)
2018-19	Friday, August 09, 2019 at 04:30 P.M.	VITS Hotel, Andheri Kurla Road, International Airport Zone, Andheri (East), Mumbai - 400 059	Re-appointment of Mr. Surinder Singh Kohli as an Independent Director for second term of five consecutive years.
2017-18	Wednesday, September 26, 2018 at 04:30 P.M.	Mirage Hotel, International Airport Approach Road, Marol, Andheri East, Mumbai – 400 059	-
2016-17	Friday, August 11, 2017 at 04:00 P.M.	Navinbhai Thakkar Auditorium, Shree Vile Parle Gujarati Mandal, Shraddhanand Road, Vile Parle (East), Mumbai - 400057	Modification to terms of appointment and remuneration payable to Captain C. J. Rodricks as Managing Director of the Company for a period of three years effective from January 22, 2015.

b. Details of resolutions passed through Postal Ballot

As per Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, during the year under review, the following resolutions were passed by members of the Company through Postal Ballot on March 27, 2020. Details of the postal ballot process followed in this regard is as under:

Date of Postal Ballot Notice: February 06, 2020

Voting Period: From February 27, 2020 (09:00 a.m.) to March 27, 2020 (05:00 p.m.)

Date of declaration of result*: May 5, 2020

* Due to outbreak of COVID-19 pandemic, consequent lockdown imposed by Central Government and imposition of curfew / strict containment restrictions by State Government of Maharashtra, the Company had sought extension from the Stock Exchanges for delay in submission of voting results scheduled to be submitted on or before March 29, 2020. The extension was sought primarily on the grounds that the Scrutiniser had expressed his inability in submitting the voting results within prescribed timelines in view of restriction in movement and failure to access physical postal ballot ballots, as had been received from the shareholders of the Company.



Particulars of Resolution	Type of Resolution	No. of votes polled	Votes cast in favour		Votes cast against	
			Number	%	Number	%
Re-appointment of Mrs. Seema Modi (DIN: 05327073) as an Independent Woman Director on the Board of Directors of the Company to hold office for second term of 5 (Five) consecutive years from April 01, 2020 to March 31, 2025.	Special	1,80,96,337	1,80,77,310	99.89	19,027	0.11
Alteration of Main Object Clause of the Memorandum of Association of the Company	Special	1,80,96,337	1,80,77,311	99.89	19,026	0.11
Related Party Transactions for Arrangements / Contract(s) between the Company and HAL Offshore Limited for Charter hire of Company's vessels, providing allied services and all other activities within the normal course of business.	Ordinary	87,335	68,309	78.21	19,026	21.79

- c. Mr. Satyajit Mishra, Company Secretary in Practice (FCS – 5759; C.P. No. 4997), was appointed as the Scrutinizer for carrying out the Postal Ballot process in a fair and transparent manner.
- d. As on the date of the Report, to the best of the available information, no special resolutions are proposed to be conducted through postal ballot.
- e. Procedure for Postal Ballot – The Postal Ballot was conducted as per the procedure mentioned in Section 110 read with Rule 22 of Companies (Management and Administration) Rules, 2014, including any amendment(s) thereof, Listing Regulations and Secretarial Standards – 2 on General Meetings.

7. MEANS OF COMMUNICATION

Quarterly Results

The quarterly, half-yearly and annual financial results are submitted to BSE Limited and National Stock Exchange of India Limited within 30 minutes from the conclusion of the Board Meeting in which the same is approved.

Publication of Quarterly Results

The quarterly, half-yearly and annual financial results are published in Financial Express (English) and Navshakti (Marathi) in compliance with Regulation 47 of the Listing Regulations.

Website

The quarterly, half-yearly and annual financial results are also uploaded on the Company's website at www.seamec.in.

All the information and disclosures required to be disseminated as per Regulation 46(2) of the Listing Regulations and Companies Act, 2013 are also being posted at Company's website from time to time.

Official News Release

Press Release, if any, made by the Company from time to time shall also displayed on the Company's website and uploaded on the website of Stock Exchanges.

8. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting – Date, Time and Venue	September 28, 2020 at 04:00 P.M. through Video Conference/ Other Audio-Visual Means.
Financial Year	April to March
Dividend Payment Date	The dividend, if approved, shall be paid / credited on or after October 2, 2020.
Book Closure / Record Date	As mentioned in the Notice of this AGM.
Registered Office	A 901 – 905, 9 th Floor, 215 Atrium, Andheri Kurla Road, Andheri East, Mumbai - 400 093. Tel: (022) 66941800 Fax: (022) 66941818 email: contact@seamec.in
Name and Address of Stock Exchanges where Company's securities are listed	ISIN: INE497B01018 National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 Trading Symbol – SEAMECLTD BSE LIMITED Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 526807
Listing Fees	The Company has paid the requisite Annual Listing fees to the above Stock Exchanges.
Share Registrar and Transfer Agents	C B Management Services (P) Ltd. 2 nd Floor P-22, Bondel Road, Kolkata – 700 019 Tel No. - (033) 40116700, 22806692/93/94/2486. Fax no. 033-22870263 E-mail: rtg@cbmsl.com Website: www.cbmsl.com
Address for Investor's Correspondence	A 901 – 905, 9 th Floor, 215 Atrium, Andheri Kurla Road, Andheri East, Mumbai - 400 093. Tel: (022) 66941800 Fax: (022) 66941818 email: contact@seamec.in OR C B Management Services (P) Ltd. 2 nd Floor P-22, Bondel Road, Kolkata – 700 019. Tel No. (033) 40116700, 22806692/93/94/2486 Fax no. 033-22870263 E-mail: rtg@cbmsl.com
Name of the Compliance Officer	Mr. S.N. Mohanty President – Corporate Affairs, Legal and Company Secretary.

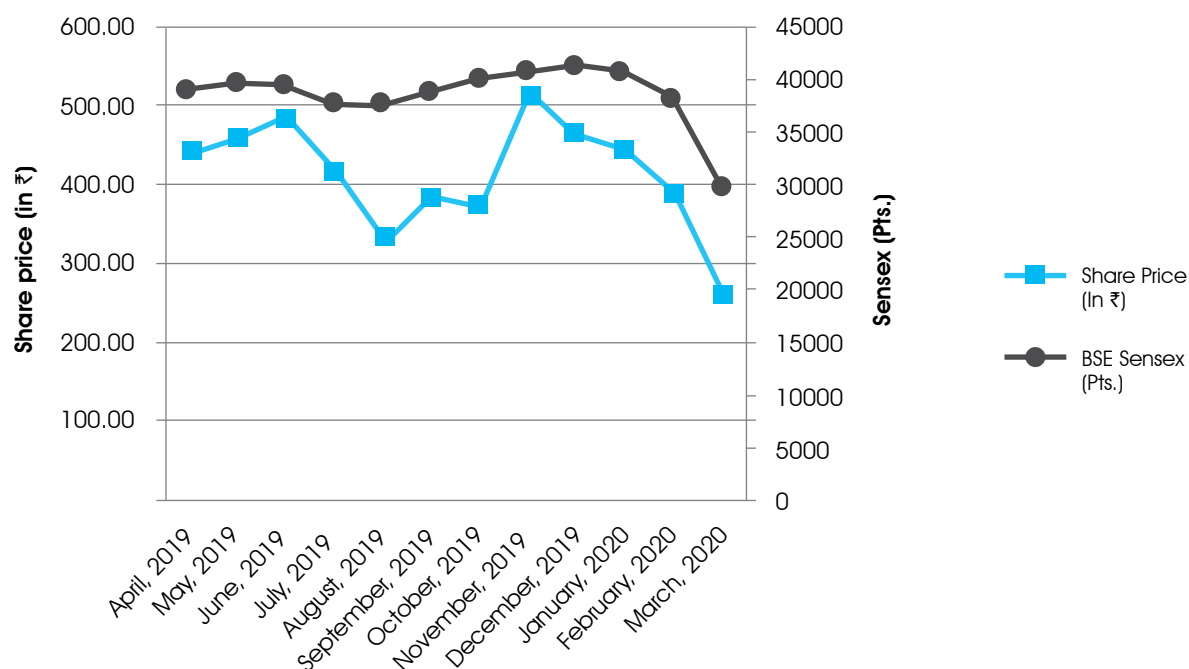
a. Market Price Data

Month	NSE			BSE		
	High (₹)	Low (₹)	Volume (Nos.)	High (₹)	Low (₹)	Volume (Nos.)
April, 2019	484.7	407.55	6,01,618	488.85	415.10	18,984
May, 2019	494.9	398.55	3,86,598	489.95	394.00	23,735
June, 2019	507.4	447	2,82,344	512.00	442.15	26,312
July, 2019	496.95	402.4	2,34,896	495.00	400.05	10,020
August, 2019	421.95	282.15	2,13,986	419.50	281.00	18,031
September, 2019	444	316.20	5,64,219	395.90	316.55	29,655
October, 2019	397	339.45	1,29,306	390.00	345.65	3,929
November, 2019	533	368.50	2,42,827	530.00	375.00	21,332
December, 2019	530.95	452.55	1,08,355	527.05	455.35	8,869
January, 2020	520	435.05	1,94,378	516.00	438.65	17,298
February, 2020	487.45	365.80	1,12,878	475.75	366.85	2,984
March, 2020	405	188.05	4,06,182	402.55	195.00	29,039

(Source: This information is compiled from the data available on BSE and NSE websites)



SEAMEC vs BSE SENSEX



b. SEAMEC Share Price in comparison to broad-based indices (S&P BSE Sensex):

Month	Seamec Limited	BSE Sensex
April, 2019	439.7	39,031.55
May, 2019	456.4	39,714.20
June, 2019	484.7	39,394.64
July, 2019	414	37,481.12
August, 2019	328.05	37,332.79
September, 2019	383.95	38,667.33
October, 2019	373.9	40,129.05
November, 2019	513.1	40,793.81
December, 2019	465.6	41,253.74
January, 2020	444.25	40,723.49
February, 2020	389.45	38,297.29
March, 2020	263.65	29,468.49

c. Share Transfer System

Effective April 1, 2019, Securities and Exchange Board of India has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository.

Transfer of securities only in demat form will lead to ease, convenience and safety of transactions for investors.

The Company has stopped accepting any transfer requests for securities held in physical form with effect from the said date.

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

In view of the aforesaid amendment and in order to eliminate the risks associated with physical holding of shares, Members who are holding shares in physical form are hereby requested to dematerialise their holdings.

d. Distribution of Shareholding as on March 31, 2020

Category	As on March 31, 2020			As on March 31, 2019		
	No. of share holders	No. of shares held	% of share holding	No. of share holders	No. of shares held	% of share holding
Promoter Company	1	17687475	69.57	1	17687475	69.57
Promoter Group	2	495116	1.95	-	-	-
Directors	-	-	-	-	-	-
Directors Relatives	-	-	-	-	-	-
Mutual Funds	1	4200	0.02	1	4200	0.02
F. I. I.	-	-	-	-	-	-
Foreign Portfolio Investors	1	662000	2.60	2	837327	3.29
Financial Institutions	-	-	-	-	-	-
Central Government / State Government	1	5601	0.02	1	5601	0.02
N.R.I.	115	55758	0.22	97	54155	0.21
Other Bodies Corporate	184	1766670	6.95	209	1713953	6.74
Banks	4	30617	0.12	3	34200	0.13
Resident Individuals	9598	4502528	17.71	9776	4850038	19.08
Clearing Members	31	5959	0.02	49	26943	0.11
Investor Education and Protection Fund	1	209076	0.82	1	211108	0.83
Total	9939	25425000	100	10140	25425000	100

e. Distribution of Shares by Categories of Shareholders as of March 31, 2020

Range (No. of shares)	No. of shareholders	% of shareholders	No. of shares held	% of share holding	No. of shareholders	% of shareholders	No. of shares held	% of share holding
1 - 500	9327	93.84	974283	3.83	9411	92.81	1045691	4.11
501 - 1000	278	2.80	229180	0.90	326	3.22	269981	1.06
1001 - 2000	129	1.30	191401	0.75	165	1.63	255572	1.01
2001 - 3000	43	0.43	112469	0.44	39	0.38	102203	0.40
3001 - 4000	30	0.30	107901	0.42	37	0.36	134206	0.53
4001 - 5000	23	0.23	105373	0.41	35	0.35	163652	0.64
5001 - 10000	44	0.44	312062	1.23	56	0.55	408472	1.61
10001 & above	65	0.65	23392331	92.01	71	0.70	23045223	90.64
Total	9939	100.00	25425000	100.00	10140	100.00	25425000	100.00

f. Dematerialization of Shares and Liquidity

The shares of the Company are regularly traded at both the Stock Exchanges where they are listed, which ensure the necessary liquidity to shareholders. Trading of shares is permitted only in dematerialized form.

Physical and Dematerialized Shares as on March 31, 2020		Shares	% of Total Issued Capital
No. of Shares held in dematerialized form in CDSL		25,01,130	9.84
No. of Shares held in dematerialized form in NSDL		2,25,63,794	88.75
No. of Physical Shares		3,60,076	1.42
Total		2,54,25,000	100

g. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments

The Company has not issued any ADR / GDR, warrants or any convertible instruments.

The details of foreign currency exposure are disclosed in Notes to the Standalone and Consolidated financial statements forming part of the Annual Report.

h. Commodity price risk or foreign exchange risk and hedging activities

During the year under review, the Company has managed the foreign exchange risks to the extent considered necessary. The Company has not undertaken any hedging activities.

i. Credit Ratings

Your Company has been rated by CARE Ratings Limited which has assigned rating of CARE BBB+; Stable/CARE A2' [Triple B Plus; Outlook: Stable/ A Two] to its long term / short term bank facilities. There was no revision in ratings assigned to the Company during the FY 2019-20.

**8. OTHER DISCLOSURES****a. Disclosures on materially significant related party transactions of the Company that may have potential conflict with the interests of the Company at large.**

During the year under review, besides the related party transactions for Arrangements / Contract(s) between the Company and HAL Offshore Limited for Charter hire of Company's vessels, providing allied services and all other activities within the normal course of business, as approved by the shareholders and forming part of the financial statements for the year ended March 31, 2020 annexed hereto, there were no other material related party transactions of the Company with its Promoters, Directors or the Management or their relatives and subsidiaries, associates and joint ventures. These transactions do not have any potential conflict with the interest of the Company at large. All related party transactions are placed before the Audit Committee of the Company periodically and placed for approval of the Board of Directors in accordance with the Policy on materiality of related party transactions and dealing with related party transactions read with section 188 of the Companies Act, 2013 read with Regulation 23 of the Listing Regulations. Further there are no material individual transactions that are not in normal course of business or not on an arm's length basis. The policy on dealing with related party transactions may be accessed on the Company's website through the web link <http://seamec.in/attachments/Related%20Party%20Transaction.pdf>.

b. Non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange, or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

There was no such instance in the last three (3) years, except compounding of delay in appointment of Mr. Naveen Mohta, as Whole Time Director of the Company pursuant to the provisions of section 203 of the Companies Act, 2013. The delay was compounded by Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai vide their order dated December 6, 2018 by imposing payment of compounding fee of ₹ 1,00,000/- on the Company and on its key managerial personnel (KMP) of ₹ 5,000/- each. Accordingly, the Company and its KMP have paid the aggregate compounding fees of ₹ 1,35,000/-.

c. Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee.

The Company has adopted Vigil Mechanism and Whistle Blower Policy and the same is available on the Company's website at www.seamec.in. During the

year under review, there were no instances reported pursuant to Vigil Mechanism and Whistle Blower Policy of the Company and no personnel has been denied access to the Audit Committee.

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.

The Company confirms that it has complied with all mandatory requirements prescribed in the Listing Regulations for the FY 2019-20. Also, pursuant to the provisions of Regulation 17(8) of the Listing Regulations read with Part B of Schedule II to the Listing Regulations, the Whole Time Director (WTD) and the Chief Financial Officer (CFO) have issued a certificate to the Board of Directors for the year ended March 31, 2020, which is annexed hereto.

e. Code of Conduct for Board Members and Senior Management of the Company

Pursuant to Regulation 17 of Listing Regulations, the Board of Directors has laid down a Code of Conduct for Board Members and Senior Management Personnel of the Company. The said code is also hosted on the Company's website at www.seamec.in.

All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for FY 2019-20. A declaration to this effect signed by the Whole Time Director is annexed to this report.

f. Code of Fair Disclosure of Unpublished Price Sensitive Information

In order to restrict communication of Unpublished Price Sensitive Information (UPSI), the Company has adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The said Code is available on the website of the Company at the web link: <http://seamec.in/SEAMEC%20history.htm>.

g. Policy for determining 'material' subsidiaries

The Company has formulated a policy for determining material subsidiaries in terms of the Listing Regulations. This Policy has been posted on the website of the Company at the web link: <http://seamec.in/attachments/Material%20Subsidiary%20Policy.pdf>.

During the FY 2019-20 and in accordance with Regulation 16 of the Listing Regulations, Seamec International FZE, wholly owned subsidiary of the Company became material subsidiary of the Company. All the related regulatory compliances in this regard have been duly complied.

The Audit Committee reviews the financial statements and in particular, the investments made by the subsidiary company. The minutes of the Board meetings of subsidiary company are placed at the meeting of the Board of Directors of the Company. The management of the unlisted subsidiary periodically brings to the notice of the Board of Directors of the Company a statement of all significant transactions and arrangements entered into by the subsidiary company from time to time.

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

No funds have been raised through preferential allotment or qualified institutional placement.

i. A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

As required under Schedule V of Listing Regulations and certificate obtained from M/s. Satyajit Mishra & Co., Practicing Company Secretary, none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The said certificate forms part of this Report.

j. Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof.

In terms of the Listing Regulations, there have been no instances during the year when the recommendations of any of the Committees were not accepted by the Board.

k. Total fees paid by the Company and its subsidiaries, on a consolidated basis to M/s. T.R. Chadha & Co., Chartered Accountants, Statutory Auditor and all entities in its network firm/network entity, during the Financial Year 2019-20.

Total fees for all services paid by the Company and its subsidiary to statutory auditors of the Company and other firms in the network entity of which the statutory auditors are a part, during the year ended March 31, 2020, is as follows:

Fees paid by the Company to M/s. T.R. Chadha & Co., Chartered Accountants, Statutory Auditor:

Particulars	Amount (In ₹)
Fees for audit and related services	25,00,000
Other fees	5,25,000
Total	30,25,000

Fees paid by Seamec International FZE, wholly owned subsidiary (WOS) of the Company to M/s. TRC Pamco Middle East Auditing & Accounting, one of the network entities of M/s. T.R. Chadha & Co., Chartered Accountants:

Particulars	Amount (In ₹)
Fees for filing VAT Returns	1,15,880
Total	1,15,880

Note: Fees paid to Statutory Auditor exclusive of out of pocket expenses and applicable taxes.

l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the FY 2019-20.

Number of complaints filed during the financial year	None.
Number of complaints disposed of during the financial year	None.
Number of complaints pending as on end of the financial year	None.

9. DETAILS OF NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OR SUB-PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF:

There is no non-compliance with any requirement of Corporate Governance Report of sub-paras (2) to (10) of the Corporate Governance Report as given in Schedule V(C) of the Listing Regulation. The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 of the Listing Regulations, have been made in this Corporate Governance report. Details required under clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the said Regulations are displayed on the website of the Company at www.seamec.in.

10. DISCRETIONARY REQUIREMENTS

The Company has also adopted certain discretionary requirements as specified in Part E of Schedule II of the Listing Regulations i.e. Non-Executive Director as the Chairman of the Board, providing the Chairman of the Company with the resources required by him to discharge his responsibilities as Chairman of the Company. The Financial Statements of the Company are unqualified. The Internal Auditor periodically provides its reports to the Audit Committee.

**11. UNPAID / UNCLAIMED DIVIDEND**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In light of the aforesaid provisions, statement showing the year / month(s) in which unpaid/unclaimed dividend is due for transfer to the IEPF is given below:

Dividend Particulars	Rate (₹)	Date of Declaration	Amount lying in Unpaid / Unclaimed Account	Due Date for transfer to IEPF
FY 2014-15	₹ 1 per share	August 12, 2015	₹ 4,40,827	September 18, 2022

During the FY 2019-20, neither any unpaid/unclaimed dividend was due for transfer to IEPF nor any equity shares due for transfer to demat account of IEPF. There are no equity shares in Suspense account of the Company.

COMPLIANCE WITH CODE OF CONDUCT

In terms of Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the affirmations provided by the Directors and Senior Management Personnel of the Company to whom Code of Conduct is made applicable, it is declared that the Board of Directors and the Senior Management Personnel have complied with the Code of Conduct for the year ended March 31, 2020.

For Seamec Limited

Naveen Mohta

Whole Time Director

June 12, 2020

Certificate on Corporate Governance

To,
The Members,
Seamec Limited
Mumbai

We have examined the compliance of conditions of Corporate Governance by Seamec Limited for the year ended March 31, 2020, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the financial year ended March 31, 2020.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the outbreak of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the year ended March 31, 2020.

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

For **Satyajit Mishra & Co.**
Company Secretaries

Satyajit Mishra
Proprietor

C.P. No.: 4997

UDIN: F005759B000359321

Place: Mumbai
Date: June 20, 2020



Certificate of Non-Disqualification of Directors

*(pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,
The Members of
Seamec Limited
9th Floor, A 901 - 905, 215 Atrium
Andheri Kurla Road, Andheri East
Mumbai 400093

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Seamec Limited having CIN: L63032MH1986PLC154910 and having registered office at 9th Floor, A 901 - 905, 215 Atrium, Andheri Kurla Road, Andheri East Mumbai- 400093, produced before me by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Sub-clause 10(i) Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the outbreak of the COVID-19 pandemic, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2020 has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of the Director	DIN	Date of appointment in Company
1.	Mr. Sanjeev Agrawal	00282059	03/06/2014
2.	Mr. Surinder Singh Kohli	00169907	03/06/2014
3.	Mrs. Seema Modi	05327073	01/04/2015
4.	Mr. Naveen Mohta	07027180	14/11/2017
5.	Mr. Deepak Shetty	07089315	15/05/2019
6.	Mr. Subrat Das	07105815	14/11/2017

The eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Satyajit Mishra & Co.**
Company Secretaries

Satyajit Mishra

Membership No.:5759

C.P. No.: 4997

UDIN: F005759B000344011

Place: Mumbai
Date: June 15, 2020

Management Discussion and Analysis Report

1. INDUSTRY STRUCTURE AND OUTLOOK

Movement from one year to the next, historically, witnessed headwinds and tailwinds, risks and opportunities, uncertainties and foreseeable trends. The emanating features from above guides to take stock of the main factors to watch for in 2020 across the diverse oil and gas sector.

Over the past decade, it was seen the heights of bullish optimism and seemingly limitless investment during the years of the \$100 per barrel world, from 2011 to mid-2014, and the lows of the price crash and extended oil downturn, from mid-2014 onwards. Neither extreme seems in the cards for an imminent return as the industry has learned valuable lessons from both episodes, but uncertainties are clearly still a challenge to performance and investment.

The year 2020 began with a weakening economic growth, not only in the United States but also in Europe and China. Geopolitical scenario tensed the globe in trade and commerce including impact on supply chain and Shipping Industry to a great extent. The spread of COVID 19 across globe significantly attributed to depletion in economic growth.

In a decarbonizing world, refiners face the outbreak of novel coronavirus (COVID-19) pandemic that has added a major layer of uncertainty to the oil market outlook at the start of the forecast period covered by this report.

In 2020, global oil demand is expected to contract for the first time since the global recession of 2009. The situation remains very fluid, however, making it extremely difficult to assess the full impact of the pandemic.

Overall, there is a negative sector outlook for global shipping as a whole because of the forecasted slowdown of global economic growth and a balance of risks skewed to the downside. All shipping segments have been demonstrating more prudent capacity growth in recent years, which supports better supply/demand balance, but a longer record of capacity management is needed to strengthen the sector's resilience.

Ultimately, the outlook for the oil market will depend on how quickly governments move to contain the COVID-19 pandemic, how successful their efforts are, and what lingering impact the global health crisis has on economic activity. At the time of publication, the high uncertainty over the course of the pandemic has led us to propose two alternatives to our base case for demand in 2020: a more pessimistic one in which global measures are less successful in containing the pandemic, and an optimistic case in which it is contained quickly.

On the supply side, geopolitics remains a wild card. Production losses from Iran, Libya and Venezuela have reached a combined 3.5 mb/d since the start of 2018. Even before the COVID-19 pandemic, markets had been over-supplied, leading OPEC+ producers to cut output. Looking beyond the short term, the oil market looks comfortably supplied through 2025

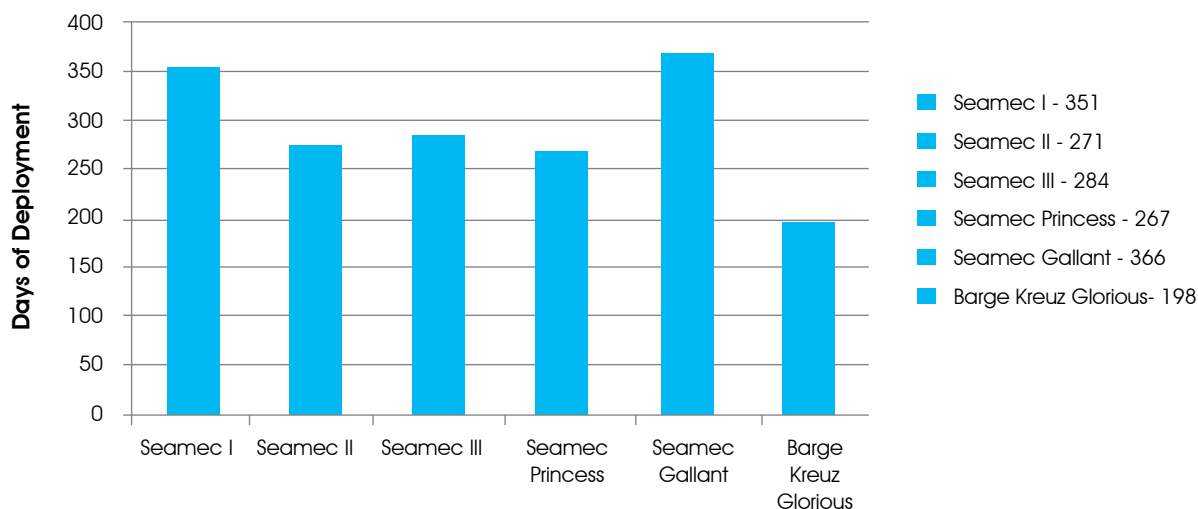
Current oversupply and the impact of COVID-19 pandemic on demand should not be a reason for complacency when it comes to security of supply. The industry expect the companies to be able to fully pass all the associated costs on to customers due to their limited bargaining power in a market plagued by overcapacity.

Tanker shipping companies may benefit from higher demand for low-sulphur fuels, which should help them offset higher compliance costs with the regulation. IMO 2020 provides for limiting sulphur content in marine fuels to 0.5% from 3.5%.

The General Cargo, one of the segments analyzed and sized in this study, displays the potential to grow at over 3.4%. The shifting dynamics supporting this growth makes it critical for businesses in this space to keep abreast of the changing pulse of the market. Poised to reach over 6.8 Billion Metric Tons by the year 2025, General Cargo will bring in healthy gains adding significant momentum to global growth.



Deployment of Vessels



2. OPPORTUNITIES AND THREATS

SEAMEC continues to be one of the major providers of offshore oilfield services in India territory.

The component of SEAMEC fleet includes Diving Support Vessels (DSV) and Bulk Carrier. SEAMEC has a distinct and unblemished track record as a confident player, has been successful to great extent in securing the contracts and continues its legacy in providing topnotch services, evolving and upgrading its performance to the utmost satisfaction of the clients. The Company's assets of experienced human force, fleet and formidable track record are recognized as a force to reckon with.

Two geographical factors that put India maritime sector at an advantaged position are - Vast Coastline of approx. 7500 kms and its Ports.

Trading opportunity by way of import of crude oil, coke and cooking coal seems lucrative. Similarly, export of iron ore to China, South Korea and Japan requires CAPSIZE and PANAMAX bulk carriers. Presently, owing to very few Indian Owners, with such kind of fleet, harnessing resources through owning or outsourcing above vessels would be an opportunistic avenue.

The Ministry of Shipping, GOI, has committed to undertake all business activities in the Shipping Industry under Public Private Partnerships Model. The new scenario that is likely to emerge on trading of cargo through bulk carrier which will be an opportunity for SEAMEC.

On a wholesome analysis, in an optimistic view post COVID-19 pandemic, India is set to witness emergence

of robust and sustainable maritime sector. The evolving geopolitical situation is inclined towards India as one of the leading economies in Asia, fine-tuning the growth of Shipping Industry as foreign investors are expected to change their base.

In the offshore sector, development and replacement of pipelines, EPC contracts, inspection and maintenance jobs and other new activities are bound to emerge apart from which SEAMEC is continuing OR which are in the pipe line. This has been a niche area where WE dominate and have the expertise and experience.

Aging of Company's fleet along with the complexity of its maintenance and wear and tear remains a challenge and downside in committing to long term contracts, especially as per PSUs norms. Your Company is looking at options and opportunities in mitigating these factors in a structured business dynamics.

With the growth in trade and subsequent shipbuilding bubble, more number of vessels has been added to the world fleet, will lead to a drop in charter rates substantially.

3. BUSINESS SEGMENT ANALYSIS

The business segment for the Company during the year under review has been offshore segment in domestic market and bulk carrier operations in overseas boundaries.

The performance of the Company and details of segment reporting are presented in the financial statements and notes annexed thereto.

4. FINANCIAL PERFORMANCE

For meaningful comparison, the pertinent financial parameters are provided below:

	(₹ million)	
Particulars	FY 2019-20	FY 2018-19
Total Income	3956	3304
Operating Expenses	2131	2011
Operating Profit	1825	1293
Operating Profit Margin	0.46	0.39
Interest Expenses	10	6
Depreciation	459	482
Profit / (Loss) before Tax	1356	805
Tax Expenses	54	38
Profit / (Loss) after Tax	1302	767
Net Profit Margin	0.33	0.23
Debtor/Sales	0.43	0.58
Creditor/Purchase	0.91	1.10
Inventory / Turnover	0.05	0.05
Current Ratio	1.64	1.27
Debt Equity Ratio	-	0.01
Networth	4774	3474
Interest Coverage Ratio	133.31	131.57

Comments on Current Year's Financial Performance:

Revenue	:	The increase in revenue is primarily due to deployment of Company's vessels and also execution of accommodation Barge Contract on bareboat basis in consortium.
Operating Cost	:	The normal operating cost increased proportionate to commercial utilization of assets and bareboat contract of Barge.
Depreciation	:	The value of few assets has been fully depreciated as per accounting records, however the same are still in use. Hence, the accounted depreciation is less compared to previous year.
Operating	:	Profit is due to contribution made by Company's all assets under deployment.
Profit (Loss)		
Current Tax Exp.	:	The Company is being assessed under Tonnage Tax Scheme. Current tax is primarily on the interest income of short term deposits with Bank and tax provisions made in the profit earned in Barge Contract which is outside the ambit of tonnage tax.
Net Profit (Loss)	:	Overall profit due to income from all operating vessels and write back of provisions made for one of the debtors realization.

5. HUMAN RESOURCES AND INTERNAL CONTROL ADEQUACY

Human Resources and Internal Control System and adequacy thereof have been stated in the Directors' Report that forms part of this Report.



Business Responsibility Report

[Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars					
1.	Corporate Identity Number (CIN)	L63032MH1986PLC154910				
2.	Name of the Company	Seamec Limited				
3.	Registered Address and Corporate Office	9 th Floor, A 901 - 905, 215 Atrium, Andheri Kurla Road, Andheri East Mumbai - 400093, Maharashtra, India				
4.	Website	www.seamec.in				
5.	E-mail Id	contact@seamec.in				
6.	Financial Year reported	April to March				
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	<table><tr><th>NIC Code</th><th>Product Description</th></tr><tr><td>09101</td><td>Shipping</td></tr></table>	NIC Code	Product Description	09101	Shipping
NIC Code	Product Description					
09101	Shipping					
8.	List three key products/services that the Company manufactures/provides	The Company provides offshore oilfields support services through its 4 multi support diving vessels. In addition, the Company has diversified to provide bulk carrier services.				
9.	Total number of locations where business activity is undertaken by the Company:	a. Number of National locations: Operations are controlled and managed from the Registered Office of the Company. b. Number of International locations: Operations of Seamec International FZE, wholly owned subsidiary of the Company are managed from Dubai, U.A.E.				
10.	Markets served by the Company – Local/ State/National/International	National and International				

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars	FY 2019-20
1.	Paid up Capital (₹)	254.25
2.	Total Turnover	3652
3.	Total profit after taxes	1302
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax	0.03%
5.	List of activities in which expenditure in 4 above has been incurred	The Company contributed towards providing Medical assistance to rural underprivileged and weaker sections of the society and for serving one of the Cancer Foundation.

SECTION C: OTHER DETAILS

Sr. No.	Particulars	
1.	Does the Company have any Subsidiary Company/Companies?	Yes.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such Subsidiary Company/Companies	Seamec International FZE, Wholly Owned Subsidiary Company, incorporated in Dubai Airport FreeZone (DAFZA), Dubai under the laws of United Arab Emirates (UAE) contributes towards business responsibility initiatives.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No.

SECTION D: BUSINESS RESPONSIBILITY INFORMATION**1. Details of Director / BR Head responsible for implementation of the BR policy/policies**

Sr. No.	Particulars	
1.	DIN Number	07027180
2.	Name	Naveen Mohta
3.	Designation	Whole Time Director
4.	Telephone number	022 6694 1800
5.	E-mail Id	contact@seamec.in

2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Business should provide goods / services in a manner that is sustainable and safe.
P3	Business should respect and promote the well-being of all employees, including those in their value chains.
P4	Business should respect the interests of and be responsive to all its stakeholders.
P5	Business should respect and promote human rights.
P6	Business should respect and make efforts to protect and restore the environment.
P7	Business, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
P8	Business should promote inclusive growth and equitable development.
P9	Business should engage with and provide value to their consumers in a responsible manner.

a. Details of compliance (Reply in Yes=Y/No=N)

Sr. No.	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		All the policies have been developed in consultation with the Key Managerial Personnel and Board of Directors, wherever applicable.								
3.	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies are in line with National Voluntary Guidelines on the Social, Environmental and Economic Responsibilities of Business.								
4.	Has the policy been approved by the Board? If yes, has it been signed by the MD/owner/ CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		All the policies are approved by Board of Directors and signed by authorised key managerial personnel.								
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	The implementation of the policy is being overseen by the Committee/Director/Official, wherever mandated by the applicable laws, rules and regulations in force.								
6.	Indicate the link to view the policy online?	All the policies are available on intranet network and on the Company's website (www.seamec.in) as per regulatory requirements.								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Wherever applicable, policy has been formally communicated to all relevant internal and external stakeholders.								
8.	Does the Company have in-house structure to implement its policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Stakeholders can report grievances related to policies and provide suggestion on the email id; contact@seamec.in .								
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N



b. If answer to the question against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

Not Applicable.

3. Governance related to BR

- a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year - The Board of Directors reviews the BR performance through the Business Responsibility Report annually.
- b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? - BR Report is being published annually from FY 2019-20 as a part of the Annual report and available on the website i.e. www.seamec.in.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Integrity and in a manner that is Ethical, Transparent and Accountable.

Sr. No.	Particulars	
1.	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group / Joint Ventures / Suppliers/ Contractors/ NGOs/ Others?	<ul style="list-style-type: none"> The Code of Conduct is applicable to the Board of Directors and employees of the Company including employees of subsidiary company. The Company has well codified policy, inter-alia, on Code of Conduct, Ethics, Whistle Blower & Vigil Mechanism, Risk Management, Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons – Prevention of Insider Trading, Materiality of Events / Information. These are also applicable to all Board Members, employees of the Company and its subsidiary. Annual affirmation, whenever required, are taken from the designated employees.
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	The Company received only 1 complaint during the financial year and the same was satisfactorily resolved.

Principle 2: Businesses should provide goods / services in a manner that is sustainable and safe.

Sr. No.	Particulars	
1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.	The Company has fairly understood its obligation on social and environmental concerns. Accordingly, Company has devised Marine operating systems and given emphasis to Quality, Health, Safety and Environmental obligations (QHSE). The Company has a specific policy to this effect in MMS (Marine Management System).
2.	For each product, provide the following details in respect of resources (energy, water, raw material etc.) per unit of product. <ol style="list-style-type: none"> Reduction during sourcing / production/ distribution achieved since the previous year throughout the value chain? Reduction during usage by consumers (energy, water) has been achieved since the previous year? 	<p>For the Company's operations major sources of requirement is fuel and the electricity. The usage varies depending on the nature of operations. The Company endeavors to minimize the usage without compromising efficient operation. The comparative usage cannot be quantified. The Company also has ISO 14000 / OHSAS 18001 Certification pursuant to which it consistently monitors the consumption of natural resources and environment management standards.</p> <p>Vessels are following the SEEMP (Ship Energy Efficiency Management Plan). Each vessel has a vessel specific guideline to ensure maximum efforts in measuring the resources and improving operational efficiency.</p>

Sr. No.	Particulars	
3.	Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Provide details thereof, in about 50 words or so.	The Company has a structured procedure which is followed before collaborating with any business partners/ associates. It has established a long term relationship with the suppliers committed to International Standards for overseas supplies ensuring synergy in operations. All local suppliers comply with local and national laws.
4.	Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	The Company always encourage local suppliers / workshops / local logistics where the vessel operates for its requirements meeting its structured protocol in this regard and applicable regulations.
5.	Does the Company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products? Provide details thereof, in about 50 words or so.	Yes, the gas Helios consumed by the Divers is recycled within the optimal limits. Garbage segregation is carried out on vessel as per Garbage management plan and disposed ashore accordingly, for recycling process.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

Sr. No.	Particulars	
1.	Please indicate the Total number of employees.	The total number of employees of the Company as on March 31, 2020 are as follows: <ul style="list-style-type: none"> Offshore employees – 400 Onshore employees – 46
2.	Please indicate the total number of employees hired on temporary/contractual and casual basis	As on March 31, 2020, the Company avails service of 1 employee on contractual basis.
3.	Please indicate the number of permanent women employees	As on March 31, 2020, the Company has 13 permanent women employees.
4.	Please indicate the number of permanent employees with disabilities	None.
5.	Do you have an employee association that is recognized by the management?	The Company does not have any recognized employee association.
6.	What percentage of your permanent employees is members of this recognized employee association?	Not Applicable.
7.	Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.	During the FY 2019-20, the Company has not received any complaints relating to Child labour, forced labour and involuntary labour. The Company has adopted a Policy on Prevention of Sexual Harassment at Workplace and has internal complaints committees to deal with concerns raised by employees. During the FY 2019-20, the Company has not received any complaints on sexual harassment, as confirmed by the Chairman of Internal Complaints Committee. There are no complaints pending as on March 31, 2020.
8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? <ol style="list-style-type: none"> Permanent Employees Permanent Women Employees Casual/Temporary/Contractual Employees Employees with Disabilities 	Training program for different employee categories is pro-actively identified for continuous skill enhancement. All permanent employees are imparted training on functional subjects either in-house or through seminars / webinars / courses organized by reputed institutions on periodic basis. As on March 31, 2020, 64% of the permanent employees, 92% of the permanent woman employees and 100% of employees on contractual basis were given safety training. All employees who join the Company are covered under safety and occupational health training.

**Principle 4: Businesses should respect the interests of, and be responsive to all its stakeholders.**

Sr. No.	Particulars	
1.	Has the company mapped its internal and external stakeholders?	Yes.
2.	Out of the above has the company identified the disadvantaged, vulnerable and marginalized stakeholders?	Yes, the Company has identified certain sections of society through its internal survey.
3.	Are there any special initiatives taken by the company to engage with the disadvantaged vulnerable and marginalized stakeholders? If so provide details in about 50 words	As a part of discharging Corporate Social Responsibility, the Company contributed towards providing medical assistance to rural underprivileged and weaker sections of the society and for serving a Cancer Foundation.

Principle 5: Businesses should respect and promote human rights.

Sr. No.	Particulars	
1.	Does the policy of the company on human rights cover only the company or extend to the Group/JV partners/Suppliers/Contractors/NGO's others?	The policy is embedded in the Company's code of business conduct, HR Policy and various other HR Practices which presently is applicable only to the Company.
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?	During the financial year 2019-20, the Company has not received any complaints from stakeholders in this respect.

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

Sr. No.	Particulars	
1.	Does the policy related to Principle 6 cover only the company or extends to the Group / JV/ Suppliers / Contractors/ NGO's / others?	The Company is ISO 14000 / OHSAS 18001 certified and is audited annually for compliance of environment management and constantly encourages its stakeholders to adopt environment friendly and safe business practices.
2.	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc. Y/N? If yes give hyper link for webpage etc.	Yes. The fleet owned by the Company are operated in compliance with the International Maritime Organization guidelines.
3.	Does the company identify and assess potential environmental risks?	The Company assesses the potential impacts of its operations on the environment through implementation of the Environment Management System.
4.	Does the company have any project related to clean development mechanism? If so provide details thereof, in about 50 words or so. Also if yes, whether any environment compliance report is filed.	The new assets will be compliant and certified as per the latest regulations. The Company is also in compliance with IMO 2020 Regulations ensuing cleaner shipping for cleaner air.
5.	Has the company undertaken any other initiatives on – Clean technology, energy efficiency, renewable energy etc. If Yes please give hyper link for web page:	All the Vessels are complying with the energy efficiency plan.
6.	Are the Emissions / Waste generated by the company within the permissible limits given by the CPCB/SPCB for the financial year being reported?	Yes, in accordance with International guidelines.
7.	Number of show cause / legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on end of financial year.	None.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Sr. No.	Particulars	
1.	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.	The Company is an active member of the following: <ul style="list-style-type: none"> Bombay Chamber of Commerce and Industry INSA (Indian National Shipowners' Association)
2.	Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).	Yes. The Company engages responsibly with the concerned stakeholders for the overall advancement and improvement of the industry advocating effective sustainability practices.

Principle 8: Businesses should support inclusive growth and equitable development.

Sr. No.	Particulars	
1.	Does the company have specified programs / initiatives / projects in pursuit of the policy related to principle 8? If yes details, thereof	Yes. The Company's initiatives and projects support inclusive growth. Please refer to CSR Report annexed as an Annexure to the Directors' Report.
2.	Are the programs / projects undertaken through in-house team/own foundation / external NGO/ government structures and any other organization:	Please refer to CSR Report annexed as an Annexure to the Directors' Report.
3.	Have you done any impact assessment of your initiative?	Yes.
4.	What is your company's direct contribution to community development projects – Amount in INR and the details of the projects undertaken	During the financial year 2019-20, the Company spent ₹ 3.50 lakhs towards CSR initiatives. Details of the projects are available in Annexure to the Directors' Report.
5.	Have you taken steps to ensure this community development initiative is successfully adopted by the community? Please explain in 50 words or so.	All the initiatives under the CSR are taken up with the intent of delivering quantifiable long term benefits instead of adhoc activities. The continued and sustainable efforts in resolving a particular need, encourages increasing support from the local community thus helping in achieving the intended purpose(s).

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.

Sr. No.	Particulars	
1.	What percentage of the customer complaints / consumer cases are pending as on end of the financial year?	As on March 31, 2020, no customer complaints / consumer cases is pending. In accordance with ISO 9001 guidelines, a Customer Complaint procedure is in place and all complaints are redressed.
2.	Does the company display product information on the product label, over and above what is mandated by local laws?	The Company is ISO 9001 certified and audited annually. The Company's website describes the nature of business.
3.	Is there any case filed by any stakeholder against the company regarding the unfair trade practices, irresponsible advertising, and / or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide the details thereof in about 50 words or so.	None.
4.	Did your company carry out any consumer survey/ consumer satisfaction trends?	Yes, the Company gets a feedback from its client on completion of each charter.



Ten Years at Glance

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
	(15months)										
BALANCE SHEET											
SOURCES OF FUNDS											
SHARE CAPITAL	339.00	339.00	339.00	339.00	339.00	339.00	254.25	254.25	254.25	254.25	254.25
RESERVE & SURPLUS	4,798.73	4,131.52	4,027.84	4,368.78	4,379.27	4,878.61	3,945.52	2,449.74	2,452.99	3,219.51	4,519.88
NET WORTH	5,137.73	4,470.52	4,366.84	4,707.78	4,718.27	5,217.61	4,199.77	2,703.99	2,707.24	3,473.76	4,774.13
LOAN FUND	-	-	-	-	-	-	-	-	-	-	-
SOURCES OF FUNDS	5,137.73	4,470.52	4,366.84	4,707.78	4,718.27	5,217.61	4,199.77	2,703.99	2,707.24	3,473.76	4,774.13
APPLICATION OF FUNDS											
GROSS BLOCK OF FIXED ASSET	4,155.10	4,302.05	4,803.70	4,778.09	4,947.03	5,617.10	2,203.90	2,996.58	2,985.66	3,349.45	3,579.70
RESERVE FOR DEPRECIATION	1,932.14	2,176.26	2,479.61	2,809.74	3,180.48	3,453.76	468.33	936.13	1,300.90	1,781.69	2,240.49
NET BLOCK OF FIXED ASSETS	2,222.96	2,125.79	2,324.09	1,968.35	1,766.55	2,163.34	1,735.57	2,060.46	1,684.76	1,567.76	1,339.20
INVESTMENTS	12.24	12.24	25.68	25.68	25.68	25.68	340.01	373.20	445.84	974.93	1,801.74
DEBTORS (NET)	349.62	385.76	1,014.24	1,310.64	1,486.86	1,245.53	1,865.46	1,087.80	1,173.61	1,635.36	1,535.12
TOTAL OTHER ASSETS	3,446.52	2,712.64	1,406.26	2,113.58	2,181.22	2,675.29	1,829.13	792.12	794.81	761.12	1,864.72
TOTAL LIABILITIES & PROVISION	543.99	380.48	403.43	710.47	742.04	892.23	1,570.40	1,609.59	1,391.78	1,465.39	1,725.65
NET ASSETS	2,902.53	2,332.16	1,002.83	1,403.11	1,439.18	1,783.06	258.73	(815.83)	(596.97)	(704.27)	139.07
APPLICATION OF FUNDS	5,137.73	4,470.19	4,366.84	4,707.78	4,718.27	5,217.61	4,199.77	2,703.99	2,707.24	3,473.76	4,774.13
PROFIT & LOSS ACCOUNT											
REVENUE FROM OPERATION	4,248.41	1,023.76	1,818.27	3,373.31	4,079.37	3,497.25	3,279.17	2,075.74	1,936.01	3,038.27	3,652.54
OTHER INCOME	161.11	133.45	179.53	241.70	154.51	360.80	229.67	176.01	187.66	266.12	303.82
EBITDA before extra ordinary items	2,398.51	(410.36)	252.35	769.74	431.05	969.21	591.79	(963.16)	519.55	1,293.48	1,824.66
EXTRA ORDINARY ITEMS	6.41	44.44	-	-	-	-	-	-	-	-	-
INTEREST EXPENSES	4.80	3.85	0.12	0.30	1.33	1.16	2.72	11.50	7.78	6.17	10.25
DEPRECIATION	321.68	264.70	310.72	369.25	378.46	367.65	473.74	479.94	489.12	481.70	458.81
PROFIT BEFORE TAX	2,078.44	(634.47)	-58.49	400.19	51.27	600.40	115.33	(1,454.60)	22.65	805.61	1,355.60
TAX	39.38	33.13	45.20	59.25	40.77	60.22	57.71	41.31	19.73	38.48	54.41
PROFIT AFTER TAX	2,039.06	(667.60)	-103.69	340.94	10.50	540.18	57.62	(1,495.91)	2.92	767.13	1,301.19

FINANCIAL STATEMENTS



Independent Auditor's Report

To the Members of Seamec Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

1. OPINION

We have audited the accompanying standalone financial statements of **Seamec Limited ("the Company")**, which comprise the standalone Balance Sheet as at March 31, 2020, and the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Statement of Cash Flows and the standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

2. BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are

further described in the Auditor's Responsibility for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

3. EMPHASIS OF MATTER

We draw attention to Note 55 to the accompanying standalone financial statement which states that the impact of COVID-19 pandemic situation remained insignificant and explains the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

4. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
A	<p>Carrying value, Useful life of the Fleet (Vessel) & Fleet Equipments of the Company, Amortization of Dry Dock Cost and Cost of Modification</p> <p>As on 31.03.2020, the Net Book Value of Fleet and Fleet Equipments stands at INR 1255.45 million, this includes Value of Vessels and Value of Equipments and Dry Dock Cost.</p> <p>The management reviews the estimated useful life and the residual value of property, plant and equipment annually. Refer Note 3 (a), (c), (d) and 4 of Standalone Financial Statements.</p>	<p>Our procedures in relation to the depreciable lives of the property, plant and equipment included:</p> <ul style="list-style-type: none"> Testing the key controls over the management's judgment in relation to the accounting estimates of the useful life of property, plant and equipment. Assessing the management's estimates on the useful life of property, plant and equipment with reference to technical evaluation, practice followed by peers and useful life prescribed in relevant schedule of Companies Act. We have also assessed the Company's process of assessing the impairment requirement, the revenue and cost related to each vessel has been analyzed for the purpose of any sign with regard to impairment. We have also assessed the recognition of Cost of modification based on recognition criterion given in relevant Ind AS.

Sr. No.	Key Audit Matter	Auditor's Response
B	<p>Expected Credit Loss on Trade Receivable</p> <p>As on 31.03.2020, trade receivables stand at INR 1535.12 million after providing Expected Credit Loss amounting to INR 1557.47 million. Refer Note 3 (t) and 8 and 15 of Standalone Financial Statements.</p>	<p>Our procedures in relation to the Expected Credit Loss on Trade Receivable included:</p> <ul style="list-style-type: none"> • Testing with regard to trade receivable includes testing controls over billing and collections, ageing analysis, etc. • Test the completeness and accuracy of the data. • Critically assessed and tested the significant judgments used by management based on past experience. • Analyzing the key terms of contract with customers to ascertain provision required for expected credit loss.

5. INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in Company's Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. If, based on the work performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to state in this regard.

6. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation

and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

7. AUDITORS' RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for



one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when,

in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

8. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- a. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- b. As required by Section 143(3) of the Act, we report that:
 - i. 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.
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - iii. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - iv. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - v. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - vi. With respect to the adequacy of the internal financial controls with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - vii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statement – Refer Note 39;
 - b. The company did not have any long-term contracts including derivative contract for which there were any material foreseeable losses;
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- c. With respect to the other matters to be included in Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion

and to the best of our informations and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of the Section 197 of the Act.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm Regn. No: 006711N/N500028

Vikas Kumar
Partner

Place: Mumbai
Date: June 20, 2020

Membership No. 075363
UDIN: 20075363AAAAAM3416

Annexure A to the Auditor's Report

The annexure referred to in Independent Auditors' Report to the member of the Seaemc Limited ("the Company") on the standalone financial statement for the year ended March 31, 2020, we report that;

(i) FIXED ASSETS

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) The Company has a regular program of physical verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the informations and explanations given to us, there is no Immovable Property in the books of accounts of the Company. Thus, the provision of clause 3(i)(c) of the Order is not applicable to the Company

(ii) INVENTORIES

The management has conducted physical verification of inventory at reasonable intervals during the year (year end verification of inventory is carried out by the management subsequent to balance sheet date due to pandemic situation) and no material discrepancies were noticed on such physical verification.

(iii) LOANS GIVEN

According to the information and explanations given to us, during the year, the Company has not granted any Secured or unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 and there are no opening balances outstanding with any of them. Accordingly, reporting under paragraph 3 (iii) (a), (b) and (c) of the order is not applicable to the Company.

(iv) COMPLIANCE OF SEC. 185 & 186

According to the information and explanations given to us, the Company has not given loans or guarantees

to directors or other persons in which a director is interested or provide security in connection with a loan and as such section 185 of the Companies Act is not applicable. In our opinion and according to the information and explanation given to us, the company has made investments in securities and given guarantee on behalf of its subsidiary, which is in compliance with the provisions of Section 186 of the Companies Act, 2013.

(v) PUBLIC DEPOSIT

The company has not accepted any deposits from the public during the year and there were no such outstanding amount during the year. Accordingly, reporting under paragraph 3 (v) of the order is not applicable to the Company.

(vi) COST RECORDS

To the best of our knowledge and according to the information and explanation provided to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act.

(vii) STATUTORY DUES

- a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing its undisputed statutory dues including Provident Fund, Employees State insurance, Income-tax, Goods and Service tax, Custom duty, Cess, etc. There are no undisputed dues payable, outstanding as on March 31, 2020 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, the following dues of Service Tax has not been deposited by the Company on account of dispute;

Name of the statute	Nature of Dues	Amount (INR in million)	Period to which amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	20.51	2014-15	Commissioner of GST and Central Excise
Finance Act, 1994	Service Tax	14.04	2013-14 to 2015-16	Commissioner of GST and Central Excise
Finance Act, 1994	Service Tax	38.51	2015-16	Commissioner of GST and Central Excise
Finance Act, 1994	Service Tax	22.53	2016-17 to April 2017- June 18	Commissioner of GST and Central Excise

- (ix) According to the information and explanations given to us and based on the records of the company examined by us, the company has not defaulted in repayment of loans to banks. The Company did not have any loan from financial institutions or government and also did not have any debentures outstanding during the year.
- (x) The Company didn't raise any money by way of initial public offer or further public offer or term loans during the year. Accordingly, reporting under paragraph 3(ix) of the Order is not applicable to the Company.
- (xi) According to the information and explanation given to us, and based on the audit procedure performed by us, we report that no fraud by the Company or no fraud on the company by its officers or employees has been noticed or reported during the year.
- (xii) According to information & explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of the Section 197 read with Schedule V to the Companies Act, 2013.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, reporting under paragraph 3(xii) of the Order is not applicable to the Company.
- (xiv) As per the information and explanations given by the management, all the transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable, and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards.
- (xv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, reporting under paragraph 3(xiv) of the Order is not applicable to the Company.
- (xvi) As per the information and explanations given by the management, the company has not entered into any non-cash transaction with directors or persons connected with him. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company.
- (xvii) As per the information and explanations given by the management, company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under paragraph 3(xvi) of the Order is not applicable to the Company.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm Regn. No: 006711N/N500028

Vikas Kumar

Partner

Place: Mumbai
Date: June 20, 2020

Membership No. 075363
UDIN: 20075363AAAAAM3416

Annexure B

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

OPINION

We have audited the internal financial controls with reference to financial statement of Seamec Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statement and such internal financial controls with reference to financial statement were operating effectively as at March 31, 2020, based on, the internal control with reference to financial statement 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.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on, "the internal control with reference to financial statement 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 with reference to financial statement 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") issued by ICAI and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal

financial controls. 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 with reference to financial statement 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 with reference to financial statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining an understanding of internal financial controls with reference to financial statement, 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 judgement, 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 with reference to financial statement.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENT

A company's internal financial control with reference to financial statement 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 with reference to financial statement 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 WITH REFERENCE TO FINANCIAL STATEMENT

Because of the inherent limitations of internal financial controls with reference to financial statement, 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 with reference to financial statement to future periods are subject to the risk that the internal financial control with reference to financial statement may become

inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **T R Chadha & Co LLP**

Chartered Accountants

Firm Regn. No: 006711N/N500028

Vikas Kumar

Partner

Membership No. 075363

UDIN: 20075363AAAAAM3416

Place: Mumbai

Date: June 20, 2020



Standalone Balance Sheet

as at March 31, 2020

Particulars	Note No	₹ million	
		As at March 31, 2020	As at March 31, 2019
A. ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	4	1,338.85	1,566.42
(b) Capital work-in-progress	5	11.04	-
(c) Intangible assets	6	0.35	1.34
(d) Financial assets			
(i) Investments	7	1,760.74	974.93
(ii) Trade receivables	8	-	-
(iii) Loans	9	14.06	16.51
(iv) Other financial assets	10	634.90	470.03
(e) Non-current tax assets (net)	11	51.47	56.00
(f) Other non-current assets	12	7.53	10.12
		3,818.94	3,095.35
2) Current assets			
(a) Inventories	13	175.35	152.20
(b) Financial assets			
(i) Investments	14	41.00	-
(ii) Trade receivables	15	1,535.12	1,635.36
(iii) Cash and cash equivalents	16	221.99	16.81
(iv) Bank balances other than (iii) above	17	0.46	0.46
(v) Other financial assets	18	679.84	26.78
(c) Current tax assets (net)	19	3.85	-
(d) Other current assets	20	23.23	12.19
		2,680.84	1,843.80
TOTAL ASSETS		6,499.78	4,939.15
B. EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	21	254.25	254.25
(b) Other equity	22	4,519.88	3,219.51
		4,774.13	3,473.76
2) Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	23	61.27	4.23
(b) Provisions	24	6.32	7.01
(c) Deferred tax liabilities (Net)	25	23.17	4.69
		90.76	15.93
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	26	-	34.69
(ii) Trade payables			
- Total Outstanding dues to micro enterprises and small enterprises	27	12.09	4.25
- Total Outstanding dues of creditors other than micro enterprises and small enterprises		1,486.49	1,227.86
(iii) Other Financial liabilities	28	81.85	68.96
(b) Other current liabilities	29	48.68	107.93
(c) Provisions	30	5.78	5.77
		1,634.89	1,449.46
TOTAL EQUITY AND LIABILITIES		6,499.78	4,939.15
Summary of significant accounting policies	3		
The accompanying notes are an integral part of the financial statements	1-56		

As per our report of even date

For **T R Chadha & CO LLP**

Chartered Accountants

Firm registration No. 006711N/N500028

Vikas Kumar

Partner

Membership No: 075363

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

Sanjeev Agrawal

Chairman

(DIN 00282059)

Vinay Kumar Agarwal

Chief Financial Officer

Deepak Shetty

Director

(DIN 07089315)

S N Mohanty

President-Corporate Affairs, Legal & Company Secretary

Place: Mumbai

Date: June 20, 2020

Place: Mumbai

Date: June 20, 2020

Standalone Statement of Profit and Loss

for the year ended March 31, 2020

₹ million

Particulars	Note No	Year ended March 31, 2020	Year ended March 31, 2019
Income:			
Revenue from operations	31	3,652.54	3,038.27
Other income	32	303.82	266.12
TOTAL INCOME		3,956.36	3,304.39
Expenses:			
Operating expenses	33	1,441.32	1,093.18
Employee benefit expenses	34	627.62	641.75
Finance costs	35	10.25	6.17
Depreciation and amortization expenses	36	458.81	481.70
Other expenses	37	62.76	275.98
TOTAL EXPENSES		2,600.76	2,498.78
PROFIT BEFORE TAX		1,355.60	805.61
Tax expenses:	25		
Current tax		32.58	57.59
Previous years income tax		3.35	0.09
Deferred tax		18.48	(19.20)
TOTAL TAX EXPENSES		54.41	38.48
PROFIT FOR THE YEAR		1,301.19	767.13
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss (net of tax)	38	(0.82)	(0.61)
TOTAL COMPREHENSIVE INCOME		1,300.37	766.52
Earning per equity share:			
(1) Basic (Face Value of ₹ 10/- each)	45	51.18	30.17
(2) Diluted (Face Value of ₹ 10/- each)		51.18	30.17
Summary of significant accounting policies	3		
The accompanying notes are an integral part of the financial statements	1-56		

As per our report of even date

For **T R Chadha & CO LLP**

Chartered Accountants

Firm registration No. 006711N/N500028

Vikas Kumar

Partner

Membership No: 075363

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

Sanjeev Agrawal

Chairman

(DIN 00282059)

Vinay Kumar Agarwal

Chief Financial Officer

Deepak Shetty

Director

(DIN 07089315)

S N Mohanty

President-Corporate Affairs, Legal & Company Secretary

Place: Mumbai

Date: June 20, 2020

Place: Mumbai

Date: June 20, 2020



Standalone Cash Flow Statement

for the year ended March 31, 2020

Particular	₹ million	
	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from operating activities		
Profit before tax	1,355.60	805.61
Adjustments to reconcile profit before tax to net cash flows		
Depreciation of property, plant and equipment	457.82	480.47
Amortization of Intangible assets	0.99	1.23
Fair value gain on financial instrument at fair value through profit or loss	(73.13)	(16.10)
Provision for doubtful debts	2.68	166.96
Profit on sale on investment	(0.23)	(1.83)
Provision for doubtful debts written back	(67.91)	(135.36)
Gain on sale of fixed asset	(0.21)	-
Bad Debts write off	4.57	-
Other comprehensive income	0.82	(0.61)
Loss on sale of fixed asset	-	1.07
Liability written back	(14.40)	(9.77)
Interest income	(87.34)	(43.01)
Dividend on mutual funds	(0.48)	(1.04)
Short term capital gain on MF	(0.38)	(1.94)
Interest paid	10.25	6.17
Unrealized exchange (gain) / losses	22.94	40.53
Working capital: adjustments		
Decrease / (Increase) in inventories	(23.15)	(8.92)
Decrease / (Increase) in trade and other receivables and prepayments	117.23	(530.62)
Increase / (Decrease) in trade and other payable	212.21	160.62
Increase / (Decrease) in provision	(0.68)	1.35
Cash generated from operations	1,917.20	914.81
Direct taxes paid, net of refunds	(31.41)	(26.37)
Net cash flow from operating activities (A)	1,885.79	888.44
Cash flows from investing activities		
Purchase of Property, plant and equipment including CWIP (net of capital creditors)	(150.59)	(385.30)
Proceeds from sale of Property, plant and equipment	0.21	51.80
Purchase of investment	(813.18)	(887.88)
Investment in subsidiary company	(19.51)	-
Redemption of / (Investment in) mutual fund- long term	79.01	374.89
Investment in bank deposits (having original maturity more than 3 months)	(768.58)	(319.91)
Redemption of bank deposits (having original maturity more than 3 months)	-	259.50
Profit on sale on investment	0.23	1.83
Interest received	52.94	66.10
Net cash from / (used in) investing activities (B)	(1,619.47)	(838.97)

Standalone Cash Flow Statement (Cont...)

for the year ended March 31, 2020

₹ million

Particular	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from financing activities		
Interest paid	(3.62)	(6.17)
Lease rental payment	(22.83)	-
Net cash from/(used in) financing activities (C)	(26.45)	(6.17)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	239.87	43.30
Cash and cash equivalents at the beginning of year	(17.88)	(61.18)
Cash and cash equivalents at the end of the year	221.99	(17.88)
Components of Cash and Cash equivalents		
Cash on hand	0.02	0.02
Balances with scheduled banks		
- current accounts	12.24	0.12
- Bank overdraft (repayable on demand)	-	(34.69)
- foreign currency accounts	209.73	16.67
Total	221.99	(17.88)

* Fixed deposits included in Cash and cash equivalents pertains to investments with an original maturity of three months or less. Fixed deposits having maturity greater than three months have been shown under the cash flow from Investing activities.

Statement of cashflow has been prepared under the indirect method as set out in the Ind AS -7 "Statement of cashflow in the companies (Indian accounting standards) rules, 2015.

Summary of significant accounting policies

3

The accompanying notes are an integral part of the financial statements

1-56

As per our report of even date

For **T R Chadha & CO LLP**

Chartered Accountants

Firm registration No. 006711N/N500028

Vikas Kumar

Partner

Membership No: 075363

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

Sanjeev Agrawal

Chairman

(DIN 00282059)

Vinay Kumar Agarwal

Chief Financial Officer

Deepak Shetty

Director

(DIN 07089315)

S N Mohanty

President-Corporate Affairs, Legal & Company Secretary

Place: Mumbai

Date: June 20, 2020

Place: Mumbai

Date: June 20, 2020



Standalone Statement of Changes in Equity

for the year ended March 31, 2020

(A) EQUITY SHARE CAPITAL

		₹ million
Equity Shares of ₹ 10 each, issued, subscribed and fully paid	Number of Shares	Amount
At April 1, 2018	2,54,25,000	254.25
Changes in Equity Share Capital during the Year	-	-
At March 31, 2019	2,54,25,000	254.25
Changes in Equity Share Capital during the Year	-	-
At March 31, 2020	2,54,25,000	254.25

(B) OTHER EQUITY

For the year ended March 31, 2019

	Reserves & surplus				OCI	Total
Particulars	Retained Earnings (Note 22)	General Reserve (Note 22)	Capital Redemption Reserve (Note 22)	Tonnage Tax Reserve u/s 115VT of Income Tax Act, 1961 (Note 22)	FVOCI Reserve (Note 22)	other Equity
As at April 1, 2018	1,407.27	914.17	84.75	45.02	1.78	2,452.99
Profit for the year	767.13	-	-	-	-	767.13
Transfer from surplus in statement of Profit and Loss for the year	-	-	-	128.43	-	128.43
Other comprehensive Income for the year:						
Remeasurement gains on defined benefit plans	-	-	-	-	(0.61)	(0.61)
Total comprehensive Income for the year	2,174.40	914.17	84.75	173.45	1.17	3,347.94
Tonnage reserve utilized	-	-	-	-	-	-
Transfer to tonnage reserve for the year	128.43	-	-	-	-	128.43
As at March 31, 2019	2,045.97	914.17	84.75	173.45	1.17	3,219.51

For the year ended March 31, 2020

	Reserves & surplus				OCI	Total
Particulars	Retained Earnings (Note 22)	General Reserve (Note 22)	Capital Redemption Reserve (Note 22)	Tonnage Tax Reserve u/s 115VT of Income Tax Act, 1961 (Note 22)	FVOCI Reserve (Note 22)	other Equity
As at April 1, 2019	2,045.97	914.17	84.75	173.45	1.17	3,219.51
Profit for the year	1,301.19	-	-	-	-	1,301.19
Transfer from surplus in statement of Profit and Loss for the year	-	-	-	218.75	-	218.75
Other comprehensive Income for the year:						

Standalone Statement of Changes in Equity (Cont...)

for the year ended March 31, 2020

₹ million

Particulars	Reserves & surplus				OCI	Total other Equity
	Retained Earnings (Note 22)	General Reserve (Note 22)	Capital Redemption Reserve (Note 22)	Tonnage Tax Reserve u/s 115VT of Income Tax Act, 1961 (Note 22)	FVOCI Reserve (Note 22)	
Remeasurement gains on defined benefit plans	-	-	-	-	(0.82)	(0.82)
Total comprehensive Income for the year	3,347.16	914.17	84.75	392.20	0.35	4,738.63
Tonnage reserve utilized	-	-	-	-	-	-
Transfer to tonnage reserve for the year	218.75	-	-	-	-	218.75
As at March 31, 2020	3,128.41	914.17	84.75	392.20	0.35	4,519.88

Summary of significant accounting policies

3

The accompanying notes are an integral part of the financial statements

1-56

As per our report of even date

For **T R Chadha & CO LLP**

Chartered Accountants

Firm registration No. 006711N/N500028

Vikas Kumar

Partner

Membership No: 075363

For and on behalf of the Board of Directors of **SEAMEC Limited****Sanjeev Agrawal**

Chairman

(DIN 00282059)

Vinay Kumar Agarwal

Chief Financial Officer

Deepak Shetty

Director

(DIN 07089315)

S N Mohanty

President-Corporate Affairs, Legal & Company Secretary

Place: Mumbai

Date: June 20, 2020

Place: Mumbai

Date: June 20, 2020



Notes to Standalone Financial Statements

for the year ended March 31, 2020

1. CORPORATE INFORMATION

SEAMEC Limited is a public Company incorporated in India under the provision of the Companies Act, 1956 having its registered office at A- 901-905, 9th Floor, 215 Atrium, Andheri Kurla Road, Andheri East, Mumbai-400 093. Its shares are listed on two recognized stock exchanges in India. The Company operates Multi Support Vessels for providing support services including marine, construction and diving services to offshore oilfields and bulk carrier vessel for providing bulk carrier services. The Company caters in both domestic as well as International Market.

The Board of Directors approved the standalone Financial statements for the year ended March 31, 2020 and authorized for issue on June 20, 2020

2. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (referred to as Ind AS) as prescribed under section 133 of the Companies, Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The Standalone Financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest million, except otherwise stated.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Use of Judgements, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial years, are described below:

Useful lives of property, plant and equipment including Impairment thereof

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. The company assess the impairment in the carrying value of tangible assets at each reporting date using best available information.

Recovery of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Provisions and contingent liabilities

The company is a party to certain legal disputes, the outcomes of which can not be assessed with a high degree of certainty. Base on the legal views and advice and management estimates, provisions are recognized or contingent liabilities are disclosed based on application of managements judgements.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(b) Classification of Current and Non-Current

The Company presents assets and liabilities in the balance sheet based on current/ non – current classification.

An asset is treated as current when it is:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle,
- ii) Held primarily for the purpose of trading,
- iii) Expected to be realized within twelve months after the reporting year, or

Notes to Standalone Financial Statements

for the year ended March 31, 2020

- iv) Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as noncurrent.

A liability is current when:

- i) It is expected to be settled in normal operating cycle,
- ii) It is held primarily for the purpose of trading,
- iii) It is due to be settled within twelve months after the reporting year, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

The Company classifies all other liabilities as non – current.

Deferred tax assets and liabilities are classified as non – current assets and liabilities, as applicable.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

The Company classifies all other liabilities as non – current.

Deferred tax assets and liabilities are classified as non – current assets and liabilities, as applicable.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

(c) Property, plant and equipment.

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation /amortization and impairment losses, if any. The cost comprises of the purchase price (net of GST credit wherever applicable) and any attributable cost of bringing the property, plant and equipment to its working condition for its intended use.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development / under Dry Docking as at the balance sheet date.

Subsequent expenditures related to an item of property, plant and equipment are added to its gross book value only if it increases the future benefits from the

existing asset beyond its previously assessed standard of performance.

When a major inspection/ overhaul is performed, its cost is recognized in the carrying amount of the related property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

The Company identifies and determines separate useful life for each major component of property, plant and equipment, if they have useful life that is materially different from that of the remaining asset. The Company has identified expenditure incurred on dry-docking as a separate component which is capitalized as the cost of the relevant vessel and is amortized systematically over the interval until the subsequent scheduled dry-docking.

Items such as Machinery spares is recognized in accordance with Ind AS 16 "Property, Plant and Equipment" when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventories.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress". Advances given towards acquisition of fixed property, plant and Equipments outstanding at each Balance Sheet date are disclosed as Capital Advances under "Other Non Current Assets".

Losses arising from the retirement of, and gains and losses arising from disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the property, plant and equipment and are recognized in the statement of profit and loss when the property, plant and equipment is derecognized.

The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(d) Depreciation on Property, plant and equipment

Depreciation on property, plant and equipment is provided using the Straight Line Method as per the useful life of the property, plant and equipment estimated by the management, The Management estimates the useful life for property, plant and equipment as follows.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Assets	Useful life (In Years)
Fleet (Multi Support Vessels)	15 to 20
Fleet (Utility Vessel)	5
Fleet (Bulk Carrier)	25
Fleet Equipments	2 to 20
Lease hold improvements	5
Office Equipments and Computers	3 to 10
Vehicles	8

For these class of property, plant and equipment, based on technical evaluation carried out by the management, the useful life as given above best represent the period over which the management expects to use these property, plant and equipment. The useful life for these property, plant and equipment are different from the useful life as prescribed under Part C of schedule II of the Companies Act 2013. The Management believes that these estimated use full life are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Machinery spares which are capitalized, are depreciated over the balance useful life of the respective property, plant or equipment or the balance useful life of mother vessel, whichever is lower.

Residual Value:

The useful life and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The life are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(e) Intangible Assets and Amortization

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Intangible assets are amortized over their estimated useful economic life. Computer Software cost is amortized over a period of five years using straight-line method. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

(f) Non-current assets held for sale

The Company classifies non-current assets as held for sale, if their carrying amounts will be recovered principally through a sale. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell.

Assets classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

(g) Impairment of Non Financial Assets.

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of

Notes to Standalone Financial Statements

for the year ended March 31, 2020

reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

(h) Inventories

Inventories consist of stores and consumables for use in running of fleets. These are valued at lower of cost and net realizable value after providing for obsolescence, if any. Cost is determined on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

An item of spare part meets the definition of 'property, plant and equipment' and satisfies the recognition criteria as per paragraph 7 of Ind AS 16, such an item of spare is recognized as property, plant and equipment. If that spare part does not meet the definition and recognition criteria as cited in paragraph 7 of Ind AS 16 that spare is recognized as inventory. Spare parts are generally available for use from the date of its purchase. Accordingly, spare parts recognized as property, plant and equipment are depreciated when the same are available for use.

(i) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

(j) Retirement and other employee benefits

Retirement benefits in the form of Provident Fund are a defined contribution scheme. The Company's contributions paid / payable towards these defined contribution plan is recognized as expense in the Statement of Profit and Loss during the year in which the employee renders the related service. There are no other obligations other than the contribution payable to the respective fund. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If

the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Contribution to Superannuation Fund, a defined contribution plan, is made to the Life Insurance Corporation of India, as per the arrangement with them, and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due.

Gratuity, a defined benefit scheme is covered by a Group Gratuity cum Life Assurance Policy with Life Insurance Corporation of India ("LIC"). Annual contribution to the fund is as determined by LIC. The shortfall between the accumulated funds available with LIC and liability as determined on the basis of an actuarial valuation is provided for as at the year-end. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent years.

Past service costs are recognized in profit or loss on the earlier of:

The date of the plan amendment or curtailment and the date that the company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

Service costs comprising current service costs, past-service costs, gains and losses on curtailments and nonroutine settlements; and Net interest expense or income.

Short term compensated absences are provided for based on estimates. The Company presents these as

Notes to Standalone Financial Statements

for the year ended March 31, 2020

a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

(k) Foreign Currency transactions

The Company's financial statements are presented in INR, which is also the Company's Functional Currency.

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying, to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the fortnightly average rates.

ii) Conversion

At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise. The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that gave rise to the translation difference. (i.e. translation differences on items whose gain or loss is recognized in other comprehensive income or the statement of profit and loss is also recognized in other comprehensive income or the statement of profit and loss respectively).

(l) Taxes on Income

Tax expense comprises of Current Tax, Deferred Tax and tax adjustments of earlier years. Current Income tax liability on shipping income is determined based on

the net tonnage of each of its vessels, in accordance with section 115VT of the Income Tax Act, 1961. Income other than shipping income is taxed in accordance with the other provisions of the Income Tax Act, 1961.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for the financial reporting purposes at the reporting date.

Deferred tax are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax liabilities / Assets are not recognized for all taxable temporary differences, except for Non shipping income/ Expenses, since the Company is assessed under section 115VT of the Income Tax Act, 1961.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(m) Revenue Recognition.

i) Revenue from Contract with Customers

Revenue is recognized in the Statement of Profit and Loss when:

- Identification of the contract, or contracts, with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price

Notes to Standalone Financial Statements

for the year ended March 31, 2020

- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when, or as, we satisfy a performance obligation

Revenue is recognized when the performance obligation has been satisfied, which happens upon the transfer of control to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for the services. Revenue is recognized when or as performance obligations are satisfied by transferring the promised services to the customer, i.e. at a point in time or over time provided that the stage of completion can be measured reliably.

Revenue mainly comprises charter hire from the vessels, which is recognized on a straight-line basis over the period of the charter. Revenues from supply of crew and services are classified as other operating revenue and recognized on rendering of the service, based on day rate charges as per the terms of the agreements.

Cost of services rendered includes port expenses, bunkers (Fuel Oil), commissions, hire of boat/steamers, stores, spares, repair and maintenance expenses, Insurance expenses etc.

Employee Benefit Expenses - Operating expenses, which comprise of shore staff & floating staff expenses. Financial expenses - Financial expenses comprise interest expenses. Other expenses - Other expenses which comprise office expenses, provisions, managements cost and other expenses relating to administration.

The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

The company has adopted Ind AS 115 "Revenue from Contract with Customers" w.e.f. April 01, 2018, using the Modified Retrospective Transition Approach, which is applied to contracts that were not completed as of April 01, 2018.

ii) Interest & Dividend Income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial

instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss. Dividend income is recognized when the Company's right to receive dividend is established by the Balance Sheet date.

(n) Leases.

On April 1, 2019, the Company adopted IND AS 116, Leases. Accordingly, the policy for Leases as presented in the Company's Annual Report is amended as under:

The Company as a Lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

1. The contract involves the use of an identified asset
2. The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
3. The Company has the right to direct the use of asset.

As the date of commencement of the lease, the Company recognizes a right-of-use-asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain Lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The of right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.



Notes to Standalone Financial Statements

for the year ended March 31, 2020

Right-to-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the assets belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of changes its assessment if whether it will exercise an extension or a termination option.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Lease liability and ROU asset have been separately presented in the respective Note and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has noticed Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognized on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognized as an adjustment to the opening balance of retained earnings as on April 1, 2019.

(o) Provisions

A provision is recognized when the Company has a present obligation (Legal or Constructive) as a result of past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost."

(p) Segment Reporting

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified based on geographical location of the vessel. The operating segments have been disclosed based on revenues within India and outside India.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

(q) Earnings per Share

Basic earnings per share are calculated by dividing the net profit/ loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of diluted potential equity shares, if any.

(r) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(s) Borrowing Costs

Borrowing costs directly attributable to the acquisition and construction of an asset which takes a substantial period of time to get ready for its intended use, are capitalized as a part of the cost of such assets, until such time the asset is substantially ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the year in which they occur.

Borrowing costs consist of interest and other costs incurred in connection with borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(t) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- (i) Debt instruments at amortized cost
- (ii) Debt instruments at fair value through other comprehensive income (FVTOCI).
- (iii) Debt instruments at fair value through profit or loss (FVTPL).
- (iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a

Notes to Standalone Financial Statements

for the year ended March 31, 2020

measurement or recognition inconsistency (referred to as 'Accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss."

Derecognition

A financial asset is primarily derecognized when:

The rights to receive cash flows from the asset have expired, or

The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets.

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent year, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an company is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, these historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortized cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount."

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings, or payables, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(u) Unbilled Revenue and Billing in excess of revenue

Unbilled revenue represents the aggregate of costs chargeable and margin earned under projects in progress as of the balance sheet date. Such amounts become billable according to the contract terms which usually consider the passage of time, achievement of certain milestones or completion of the project.

Contract revenue earned in excess of billing has been reflected under "Other Financial Assets" and billing in

Notes to Standalone Financial Statements

for the year ended March 31, 2020

excess of contract revenue is reflected under "Other Financial Liabilities" in the balance sheet.

(v) Fair Value Measurement

The Company measures financial instruments at fair value each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The Management comprises of the head of the investment properties segment, heads of the Company's internal mergers and acquisitions team, the head of the risk management department, financial controllers and chief finance officer.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

4. PROPERTY, PLANT AND EQUIPMENT

							₹ million
Particulars	Fleet and fleet equipment	Machinery spares	Leasehold improvement	Right of use Asset	Office Equipments	Vehicles	Total
Cost							
At April 1, 2018	2,952.63	23.95	0.99	-	1.51	0.01	2,979.09
Additions	355.62	7.37	-	-	0.22	1.44	364.65
Disposals	-	1.00	-	-	-	-	1.00
At March 31, 2019	3,308.25	30.32	0.99	-	1.73	1.45	3,342.74
Additions	127.47	10.67	-	90.70	0.15	1.26	230.25
Disposals	-	-	-	-	-	-	-
At March 31, 2020	3,435.72	40.99	0.99	90.70	1.88	2.71	3,572.99
Depreciation							
At April 1, 2018	1,278.04	16.78	0.99	-	0.94	0.01	1,296.76
Charge for the Year	470.32	9.53	-	-	0.50	0.12	480.47
Disposals	-	0.91	-	-	-	-	0.91
At March 31, 2019	1,748.36	25.40	0.99	-	1.44	0.13	1,776.32
Charge for the Year	431.91	5.54	-	19.74	0.39	0.24	457.82
Disposals	-	-	-	-	-	-	-
At March 31, 2020	2,180.27	30.94	0.99	19.74	1.83	0.37	2,234.14
Net Block							
At March 31, 2019	1,559.89	4.92	-	-	0.29	1.32	1,566.42
At March 31, 2020	1,255.45	10.05	-	70.96	0.05	2.34	1,338.85

5. CAPITAL WORK-IN-PROGRESS

	As at March 31, 2020	As at March 31, 2019
Capital work - in - progress	11.04	-
	11.04	-

6. INTANGIBLE ASSETS

	Software
Cost	
At April 1, 2018	6.57
Additions	0.14
Disposals	-
At March 31, 2019	6.71
Additions	-
Disposals	-
At March 31, 2020	6.71
Amortization	
At April 1, 2018	4.14
Charge for the Year	1.23
Disposals	-
At March 31, 2019	5.37
Charge for the Year	0.99
Disposals	-
At March 31, 2020	6.36
Net Block	
At March 31, 2019	1.34
At March 31, 2020	0.35



Notes to Standalone Financial Statements

for the year ended March 31, 2020

7. NON CURRENT FINANCIAL ASSETS - INVESTMENTS

(Unquoted Investments)

₹ million

	As at March 31, 2020	As at March 31, 2019
Investment in Equity Shares		
In subsidiary (at cost)		
3 Nos (31.03.2019 :2 Nos) fully paid up equity share of AED 1,000,000 each of SEAMEC International FZE (representing 100% equity of the Company)	45.19	25.68
Investment in mutual fund carried at fair value through Profit and Loss		
9,35,182.501 Units(31.03.2019: 9,35,182.501) ICICI Prudential Medium Term Bond Fund-Growth	29.29	26.61
NIL Units (31.03.2019: 17,62,323.696) Nippon India Strategic Debt Fund Growth	-	25.92
7,19,164.726 Units(31.03.2019: NIL) Nippon India Short term fund -Growth Plan	27.17	-
39,33,910.307 Units(31.03.2019:39,33,910.307) Axis Equity Saver Fund Growth	47.17	50.28
94,47,081.230 Units(31.03.2019: 94,47,081.230) ABSL Credit Risk Fund- Growth Regular	136.60	129.14
89,690.183 Units(31.03.2019: 15,62,658.959) ABSL Arbitrage Fund- Div Reinvestment	0.96	16.75
39,79,307.600 Units(31.03.2019: 39,79,307.600) DSP Equity Saving Fund - Growth Regular	44.25	50.24
1,63,276.163 Units (31.03.2019: 9,61,064.819) HDFC Arbitrage Fund-Div Reinvestment	1.76	10.37
85,70,037.777 Units (31.03.2019:85,70,037.777) HDFC Credit Risk Debt Fund - Regular Growth	142.66	130.74
48,25,000 Units (31.03.2019: 48,25,000) ABSL FTP RN D-Growth	55.57	50.68
420,013.944 Units (31.03.2019: 420,013.944) ABSL Corporate Bond Fund- Growth	32.87	30.09
1,445,518.411 Units (31.03.2019: 1,445,518.411) HDFC Corporate Bond Fund-Growth	33.12	30.08
1,575,514.405 Units(31.03.2019:1,575,514.405) ICICI Prudential Corporate Bond Fund-Growth	32.81	30.09
NIL Units (31.03.2019: 1,932,072.028) Sundaram Short Term Credit Risk Fund Growth	-	52.58
827,338.576 Units (31.03.2019: 827,338.576) Kotak Dynamic Bond Fund Regular Plan Growth	22.23	20.08
1,057,861.498 Units(31.03.2019: 1,057,861.498) ICICI Medium Term Bond Fund-Growth	33.13	30.10
1,264,037.842 Units(31.03.2019:1,264,037.842) L&T Short Term Bond Fund-Growth	24.62	22.56
704,346.877 Units(31.03.2019: 704,346.877) ICICI Medium Term Bond Fund-Growth	22.06	20.04
519,182.495 Units(31.03.2019: 519,182.495) ICICI Short Term Bond Fund-Growth	21.89	20.11
6,562,282.624 Units(31.03.2019: NIL) HDFC banking and PSU debt fund - regular plan - Growth	108.42	-
2,553,130.649 Units(31.03.2019: NIL) ICICI Short Term Bond Fund-Growth	107.66	-
5,928,455.317 Units (31.03.2019: NIL) HDFC Short Term Debt Fund - Growth	135.69	-
14,842.16 Units (31.03.2019: NIL) Kotak Corporate Bond Fund - Direct Growth	40.97	-
2,293,643.740 Units (31.03.2019: NIL) IDFC Banking & PSU Debt Fund - Growth	41.20	-
947,315.072 Units (31.03.2019: NIL) IDFC Bond Fund- Short Term Plan - Growth	41.08	-
2,305,310.744 Units (31.03.2019: NIL) ICICI Prudential Short Term Fund - Growth	102.28	-
2,008,161.167 Units (31.03.2019: NIL) ICICI Prudential All Season Bond Fund - Growth	51.50	-
2,151,439.851 Units (31.03.2019: NIL) Kotak Banking & PSU Debt Funds- Growth	102.51	-
219,666.209 Units (31.03.2019: NIL) ICICI Asset Allocator Fund - Growth	10.45	-
Investment in market linked debenture carried at fair value through Profit and Loss		
30.00 Units (31.03.2019: NIL) ESSKAY fincop ltd - PP MLD	30.00	-
Investment in Alternate Investment Fund carried at fair value through Profit and Loss		
87.760 Units (31.03.2019: 45.00) Avendus structured credit fund-I	45.13	23.75
24, 913,999.94 Units (31.03.2019: 28,130,692.127) UTI structured debt opportunities fund - I (T units)	25.09	2.84
566,329.85 Units (31.03.2019: 7,86,301.324) UTI structured debt opportunities fund - I (Regular units)	55.25	76.20
1000.00 Units (31.03.2019: 1000.00) IIFL enhance coupon plus I	110.16	100.00
Total value of Investment	1,760.74	974.93
Aggregate amount of quoted investment and market value thereof.	-	-
Aggregate amount of unquoted investments.	1,760.74	974.93
Aggregate amount of impairment in value of investments.	-	-

Notes to Standalone Financial Statements

for the year ended March 31, 2020

8. NON CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

	As at March 31, 2020	As at March 31, 2019
Trade receivables (refer note 41)	-	-
Receivable from related party (refer note 44)	-	-
Total Trade Receivables	-	-
Break-up of Trade Receivables		
Secured, considered good	-	-
Unsecured, considered good	-	-
Trade receivables which have significant increase in credit risk	-	-
Credit impaired	1,134.75	1,134.75
	1,134.75	1,134.75
Impairment allowance		
Less: Allowance for doubtful debts (expected credit loss) (refer note 41)	1,134.75	1,134.75
Total trade receivables	-	-

9. NON CURRENT FINANCIAL ASSETS - LOANS

	As at March 31, 2020	As at March 31, 2019
(Loan receivable - unsecured, considered good)		
Security deposits (related party ₹ 12.98 million) (31.03.2019 ₹ 15.94 million)	14.06	16.51
	14.06	16.51

10. OTHER FINANCIALS ASSETS - NON CURRENT

	As at March 31, 2020	As at March 31, 2019
Bank deposits with original maturity for more than 12 months**	634.90	470.03
	634.90	470.03

** Fixed deposits worth ₹ NIL (31.03.2019: ₹ 351.56 million) kept as lien with Bank against various facilities (including bank guarantee) / pending litigation.

11. NON CURRENT TAX ASSETS

	As at March 31, 2020	As at March 31, 2019
Advance income-tax (net of provisions for taxation ₹ 90.68 million (31.03.2019: ₹ 98.13 million)	51.47	56.00
	51.47	56.00

12. OTHER NON CURRENT ASSETS

	As at March 31, 2020	As at March 31, 2019
Advance rent (related party ₹ 3.10 million) (31.03.2019 NIL)	3.10	-
Prepaid expenses	-	1.43
Service tax under protest	4.43	8.69
	7.53	10.12



Notes to Standalone Financial Statements

for the year ended March 31, 2020

13. INVENTORIES

	As at March 31, 2020	As at March 31, 2019
₹ million		
(Valued at lower of cost and net realisable value)		
Stores and consumables	171.73	143.54
Goods in transit - stores and consumables	3.62	8.66
	175.35	152.20

14. CURRENT FINANCIAL ASSETS - INVESTMENTS (Unquoted Investments)

	As at March 31, 2020	As at March 31, 2019
₹ million		
Investment in fixed deposit of corporates at amortized cost		
8.10% BAJAJ finance limited	41.00	-
	41.00	-
Aggregate amount of quoted investment and market value thereof.	-	-
Aggregate amount of unquoted investments.	41.00	-
Aggregate amount of impairment in value of investments.	-	-

15. TRADE RECEIVABLES

	As at March 31, 2020	As at March 31, 2019
₹ million		
Trade receivables (refer note 41)	1,420.96	1,203.42
Receivable from related party (refer note 44)	114.16	431.94
Total Trade Receivables	1,535.12	1,635.36
Break-up of Trade Receivables		
Considered good - secured	-	-
Considered good - unsecured	1,535.12	1,635.36
Trade Receivables which have significant increase in credit risk	-	-
Credit impaired	422.72	487.94
	1,957.84	2,123.30
Impairment Allowance		
Less: Allowance for doubtful debts (expected credit loss) (refer note 41)	422.72	487.94
Total Trade Receivables	1,535.12	1,635.36

16. CASH AND CASH EQUIVALENTS

	As at March 31, 2020	As at March 31, 2019
₹ million		
Balances with scheduled banks		
- current accounts	12.24	0.12
- foreign currency accounts	209.73	16.67
Cash on hand	0.02	0.02
	221.99	16.81

17. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2020	As at March 31, 2019
₹ million		
- Unpaid dividend account *	0.46	0.46
	0.46	0.46

* The company can utilise these balances only towards settlement of respective unpaid dividend.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

18. OTHER CURRENT FINANCIAL ASSETS

₹ million

	As at March 31, 2020	As at March 31, 2019
Bank deposits with remaining maturity for less than 12 months**	603.71	-
Interest receivable	57.94	23.55
Unbilled revenue	17.84	1.02
Other receivables	0.35	2.21
	679.84	26.78

** Fixed deposits worth ₹ 370.79 million (31.03.2019: ₹ NIL) kept as lien with Bank against various facilities (including bank guarantee) / pending litigation.

19. OTHER CURRENT TAX ASSETS

₹ million

	As at March 31, 2020	As at March 31, 2019
Advance income-tax	3.85	-
	3.85	-

20. OTHER CURRENT ASSETS

₹ million

	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	7.04	6.39
Advance to vendors	15.30	5.34
Advance rent (related party ₹ 0.89 million) (31.03.2019 ₹ 0.46 million)	0.89	0.46
	23.23	12.19

21. EQUITY SHARE CAPITAL

₹ million

	As at March 31, 2020	As at March 31, 2019
Authorized Shares		
50,000,000 (31.03.2019 : 50,000,000) equity shares of ₹ 10 each	500.00	500.00
Issued, subscribed and fully paid-up		
25,425,000 (31.03.2019 : 25,425,000) equity shares of ₹ 10 each fully paid-up	254.25	254.25
	254.25	254.25

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

₹ million

Equity shares	As at March 31, 2020		As at March 31, 2019	
	Nos	₹ million	Nos	₹ million
At the beginning of the Year	2,54,25,000	254.25	2,54,25,000	254.25
Outstanding at the end of the year	2,54,25,000	254.25	2,54,25,000	254.25



Notes to Standalone Financial Statements

for the year ended March 31, 2020

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding Company

Out of equity shares issued by the Company, shares held by its holding Company are as below:

All in nos	₹ million	
	As at March 31, 2020	As at March 31, 2019
HAL Offshore Limited	1,76,87,475	1,76,87,475

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	Nos	% holding in the class	Nos	% holding in the class
HAL Offshore Limited	1,76,87,475	69.57%	1,76,87,475	69.57%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(e) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date

	As at March 31, 2020	As at March 31, 2019
	Nos	Nos
Equity Shares bought back by the Company	-	-

During the year ended March 31, 2016, the Company had bought back a total of 84,75,000 equity shares of ₹ 10 each at a total consideration of ₹ 1,059.38 million. Accordingly, the face value of shares bought back amounting to ₹ 84.75 million had been adjusted against Share Capital and the balance amount of ₹ 501.75 million and ₹ 472.88 million have been adjusted against the securities premium and general reserve respectively. Further, in accordance with the Section 69 of the Companies Act, 2013, the Company had transferred an amount of ₹ 84.75 million, being a sum equal to nominal value of equity shares bought back, from general reserve to capital redemption reserve.

22. OTHER EQUITY

	₹ million	
	As at March 31, 2020	As at March 31, 2019
Capital redemption reserve		
Balance as per the last Financial Statements	84.75	84.75
Add: Transfer from General Reserve (refer note 21 (e))	-	-
Closing Balance	84.75	84.75
General reserve		
Balance as per the last Financial Statements	914.17	914.17
Add: Transfer from Tonnage Reserve for the year	-	-

Notes to Standalone Financial Statements

for the year ended March 31, 2020

	As at March 31, 2020	As at March 31, 2019
Less: Transfer to Capital Redemption Reserve (refer note 21 (e))	-	-
Closing Balance	914.17	914.17
Tonnage tax reserve u/s 115VT of Income Tax Act, 1961		
Balance as per the last Financial Statements	173.45	45.02
Add: Transfer from surplus in statement of Profit and Loss for the year	218.75	128.43
	392.20	173.45
Less: Tonnage Reserve utilized	-	-
Closing Balance	392.20	173.45
Other Component of Equity		
Surplus in Statement of Profit and Loss		
Balance as per the last Financial Statements	2,047.14	1,409.05
Profit/ (loss) for the year	1,301.19	767.13
Other comprehensive income	(0.82)	(0.61)
Transfer to Tonnage tax reserve account u/s 115VT of Income Tax Act 1961	(218.75)	(128.43)
Closing Balance	3,128.76	2,047.14
	4,519.88	3,219.51

Nature and Purpose of Reserves:

(1) Capital redemption reserve:

Capital redemption reserve was created upon buy back of equity shares. The Company may utilise this reserve in compliance with the provisions of the Companies Act 2013.

(2) General reserve:

General reserve represents appropriation of retained earnings and are available for distribution to shareholders.

(3) Tonnage tax reserve u/s 115VT of Income Tax Act, 1961:

A tonnage tax company shall, subject to and in accordance with the provisions of section 115VT of the Income Tax Act, 1961, on yearly basis credit to tonnage tax reserve account, an amount not less than twenty percent of the book profit derived from the activities referred to in clauses (i) and (ii) of sub-section (1) of section 115V-I of the Income Tax Act, 1961. The Company can utilise this reserve as per provisions of Income Tax Act 1961.

(4) Surplus in statement of profit & loss:

Surplus in statement of profit & loss represents surplus / accumulated earnings of the company and are available for distribution to shareholders.

(5) Dividend recommendation:

The Board of Directors in their meeting on June 20, 2020, recommended a dividend of ₹ 1 per equity share for the financial year ended March 31, 2020. This payment is subject to the approval of shareholders in the ensuing Annual General Meeting of the Company. This dividend if approved by shareholders would result in a net cash outflow of approximately ₹ 25.43 million.

23. NON CURRENT FINANCIAL LIABILITIES

	As at March 31, 2020	As at March 31, 2019
Lease rental liabilities	61.00	-
Other financial liabilities	0.27	4.23
	61.27	4.23



Notes to Standalone Financial Statements

for the year ended March 31, 2020

24. PROVISIONS - NON CURRENT

	As at March 31, 2020	As at March 31, 2019
Provision for leave benefits	6.32	7.01
	6.32	7.01

25. INCOME TAXES

The major components of income tax expense:

	Year ended March 31, 2020	Year ended March 31, 2019
Current income tax:		
Current Income tax charge	32.58	57.59
Adjustments in respect of current income tax of previous years	3.35	0.09
Deferred Tax:		
Relating to origination and reversal of temporary differences	18.48	(19.20)
Income tax expense reported in the statement of profit or loss	54.41	38.48

Reconciliation of tax expense and the accounting profit multiplied by the domestic tax rate:

	Year ended March 31, 2020	Year ended March 31, 2019
Accounting Profit before tax	1,355.60	805.61
Income from Tonnage business	1,229.83	628.56
Income taxable (Normal business income)	125.77	177.05
Tax rate	25.17%	29.12%
Tax	31.65	51.56
Income taxable (capital gain)	-	21.26
Tax at domestic rate	23.30%	23.30%
Tax	-	4.95
Tonnage income as per sec 115V	3.69	3.72
Tax	0.93	1.08
Adjustments in respect of current income tax of previous years	3.35	0.09
Total tax	35.93	57.68
Deferred tax	18.48	(19.20)
Income tax expense	54.41	38.48

Deferred Tax

	As at March 31, 2020	As at March 31, 2019
Deferred tax relates to the following:		
Fair valuation of investment	23.17	4.69
	23.17	4.69
Total Deferred tax	23.17	4.69

26. CURRENT FINANCIAL LIABILITIES - BORROWINGS

	As at March 31, 2020	As at March 31, 2019
Secured		
Bank overdraft (refer note A below)	-	34.69
	0.00	34.69

- A) The 'Overdraft against FD' facility at 1% above the interest rate of fixed deposits under lien. The same is secured by fixed deposits with margin as 100%.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

27. TRADE PAYABLES

₹ million

	As at March 31, 2020	As at March 31, 2019
Total Outstanding dues to Micro, Small And Medium Enterprises	12.09	4.25
Trade payables to others	1,486.49	1,227.39
Trade payables to related parties (refer note 44)	-	0.47
	1,498.58	1,232.11

Note A

₹ million

Particulars	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year*		
- Principal amount due to micro and small enterprises	12.09	4.25
- Interest due to Micro, Small And Medium Enterprises	1.04	1.19
- The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	1.05	0.71
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act 2006.	-	-
- The amount of Interest accrued and remaining unpaid at the end of each accounting period.	1.04	1.19
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

* Dues to Micro, Small and Medium Enterprises including interest have been determined to the extent such parties have been identified on the basis of information collected by the Management and information collected in this regard. This has been relied upon by the auditors.

28. OTHER CURRENT FINANCIAL LIABILITIES

₹ million

	As at March 31, 2020	As at March 31, 2019
Employee dues	34.20	39.59
Creditors for capital expenditure	-	9.14
Unpaid dividend	0.46	0.46
Security deposit received	7.13	-
Outstanding expenses	22.56	19.25
Lease rental liabilities	17.50	-
Other current liability	0.00	0.52
	81.85	68.96



Notes to Standalone Financial Statements

for the year ended March 31, 2020

29. OTHER CURRENT LIABILITIES

	As at March 31, 2020	As at March 31, 2019
Unearned revenue	0.67	-
Statutory dues		
TDS payable	22.78	19.27
GST payable	24.21	72.57
Other dues	1.02	16.09
	48.68	107.93

30. PROVISIONS

	As at March 31, 2020	As at March 31, 2019
Provision for Employee Benefits		
Provision for leave benefits	5.39	5.25
Provision for gratuity (refer note 51)	0.39	0.52
	5.78	5.77

Movement in provision for leave encashment

	As at March 31, 2020	As at March 31, 2019
Opening balance	12.26	10.49
Addition during the year	1.30	2.42
Utilization during the year	1.85	0.65
Closing balance	11.71	12.26

31. REVENUE FROM OPERATIONS

	Year ended March 31, 2020	Year ended March 31, 2019
Charter hire income		
Tonnage income	3,226.29	2,664.60
Less: Revenue related to consortium member	(50.26)	(23.77)
Non-Tonnage income	554.29	454.76
Less: Revenue related to consortium member	(116.40)	(81.66)
Other operating revenue	38.62	24.34
	3,652.54	3,038.27

32. OTHER INCOME

	Year ended March 31, 2020	Year ended March 31, 2019
Interest income on		
Bank deposits	72.07	37.40
Income tax refund	2.76	0.74
Interest on Corporate Deposits	1.51	-
Interest on investments	12.50	3.77
Liability no longer required written back	14.40	9.77
Exchange fluctuation gain (net)	54.06	52.67

Notes to Standalone Financial Statements

for the year ended March 31, 2020

₹ million

	Year ended March 31, 2020	Year ended March 31, 2019
Gain on sale of fixed asset (net)	0.21	-
Provision for doubtful debts written back (refer note 41)	67.91	135.36
Interest income on security deposit as per Ind As	0.96	1.11
Net gain on fair value change on investment	73.13	16.10
Profit on sale of investment	0.23	1.83
Guarantee fee income	2.83	2.43
Dividend on mutual funds	0.48	1.04
Realized gain on investments	0.38	1.94
Misc incomes	0.39	1.96
	303.82	266.12

33. OPERATING EXPENSES

₹ million

	Year ended March 31, 2020	Year ended March 31, 2019
Victualling and other benefit to crew	99.68	94.40
Sub contractor cost- diving project	821.69	535.32
Stores and spares consumed	162.80	148.13
Fuel expenses	108.97	78.10
Repairs and maintenance - vessels	23.11	17.73
Rates & taxes	1.50	6.40
Commission / Brokerage	4.15	1.04
Customs duty	2.69	0.39
Crew travelling expenditure	18.09	24.45
Insurance charges	17.88	19.58
Port charges	14.71	15.38
Communication charges	29.90	22.39
Consultancy fees	55.24	22.30
Other operating expenses	80.91	107.57
	1,441.32	1,093.18

34. EMPLOYEE BENEFIT EXPENSES

₹ million

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus to crew	566.30	581.93
Salaries, wages and bonus to onshore staff	52.77	51.72
Contribution to provident and other funds	7.73	7.30
Staff welfare expenses	0.82	0.80
	627.62	641.75

35. FINANCE COSTS

₹ million

	Year ended March 31, 2020	Year ended March 31, 2019
Interest charges - bank	0.06	4.81
Interest expenses on lease liability	6.62	-
Interest charges-others	3.57	1.36
	10.25	6.17



Notes to Standalone Financial Statements

for the year ended March 31, 2020

36. DEPRECIATION AND AMORTIZATION EXPENSE

	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation of tangible assets	438.08	480.47
Depreciation of asset - right of use	19.74	-
Amortization of intangible assets	0.99	1.23
	458.81	481.70

₹ million

37. OTHER EXPENSES

	Year ended March 31, 2020	Year ended March 31, 2019
Directors sitting fees	1.15	1.76
Director incidental expenses	0.18	0.29
CSR expenses	0.35	-
Travelling and conveyance	9.47	6.42
Repairs and maintenance -others	1.04	1.31
Loss on sale / discard of fixed asset (net)	0.08	1.07
Rent	2.42	24.11
Payment to auditors (excluding GST)		
- As auditor	2.50	1.70
- For other services	0.88	0.80
- For reimbursement of expenses	0.08	0.12
Legal & professional fees	17.18	48.47
Bad debts	4.57	-
Provision for doubtful debts (expected credit loss) (refer note 41)	2.68	166.96
Bank charges	6.33	6.06
Office expenses	3.78	3.93
Electricity expenses	1.64	1.82
Printing & stationery	1.92	3.15
Other expenses	6.51	8.01
	62.76	275.98

₹ million

38. COMPONENTS OF OTHER COMPREHENSIVE INCOME

	Year ended March 31, 2020	Year ended March 31, 2019
Re-measurement gains / (losses) on defined benefit plans as per Ind AS 19	(0.82)	(0.61)
	(0.82)	(0.61)

₹ million

39. CONTINGENT LIABILITIES

	As at March 31, 2020	As at March 31, 2019
Corporate Guarantee to Bank of Baroda, Sharjah, UAE (refer note a below)	417	453
Claim against the Company not acknowledge as debts		
FERA Matter (refer note b below)	100	100
Service tax / GST payable as per order of Commissioner of GST & Central	87	179
Excise (refer note c below)		
Custom Duty payable as per order from Commissioner of Customs (Import) (refer note d below)	Not ascertainable	Not ascertainable

₹ million

Notes to Standalone Financial Statements

for the year ended March 31, 2020

- a The Company has given Corporate Guarantee on behalf of its wholly owned subsidiary Seamec International FZE against a Term Loan taken by Subsidiary from Bank of Baroda, Sharjah, UAE.
- b The case against the Company alleging violation of Foreign Exchange Regulation Act 1973 (FERA), related to acquisition of Land drilling Rig, is pending before the Hon'ble Mumbai High Court. The Company has furnished a Bank Guarantee of ₹ 100 million to the Enforcement Directorate, FERA, towards penalty imposed, as directed by the Hon'ble Mumbai High Court. The bank guarantee is valid till December 31, 2020. No provision is considered necessary in respect of the said penalty as the management believes, based on legal opinion, that there has been no contravention to FERA.
- c During FY 2018-19 the company has received assessment order from the Office of the Commissioner of GST & Central Excise regarding service tax payable amounting to ₹ 64.95 million (including penalty of ₹ 5.92 million) for FY2014-15 to FY 2015-16 towards liability of service tax on free supply of fuel by client. Against the above order the company has filed appeal before Hon'ble CESTAT. During FY 2019-20 company has received show cause notice cum demand notice for ₹ 22.53 million for FY 2016-17 and Q1 FY 17-18 towards liability service tax on free supply of fuel by client. No provision is considered necessary in respect of the said demand based on opinion received from its Counsel.
- d Against the Directorate of Revenue Intelligence (DRI) Show Cause Notice in July – August 2012, the adjudication proceedings was conducted by Commissioner of Customs (Import) who vide order dated March 28, 2013 imposed duty ₹ 350 million, penalty for equivalent amount, interest and confiscation and made appropriation of ₹ 126 million paid in 2011 under protest. Accordingly, Company disclosed the contingent liability of ₹ 1197 million.

Against the above adjudication order, the Company filed before Hon'ble CESTAT for stay of the order as well as appeal. Stay was granted while appeal was disposed off vide order of Hon'ble CESTAT dated 6th December, 2017.

Being aggrieved, Company as a legal recourse, had filed Rectification of Mistake (ROM) before designated forum of CESTAT. The Hon'ble CESTAT vide order dated February 27, 2018 remanded the matter to the original authority, set aside the demand, duty, penalty and confiscation with a specific direction of commencement of adjudication subject to settlement of jurisdiction issue by the Hon'ble Supreme Court.

During the year Commissioner of Customs (Import) has filed appeal before Hon'ble Bombay High Court against the order dated February 27, 2018 ROM application which has been admitted however no stay has been granted. At present no demand exists with regard to aforesaid matter and such contingent liability can not be quantified due to open remand.

Notes:

- (a) The Company does not expect any reimbursement in respect of the above contingent liabilities.
- (b) It is not practicable to estimate the timing of cash flows, if any, in respect of matters at (a) to (d) above, pending resolution of the proceedings.

40. COMMITMENTS

a Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 24.18 million (31.03.2019 : ₹ NIL million).

41. TRADE RECEIVABLES AS DISCLOSED IN NOTES 8 & 15, ARE NET OF PROVISIONS FOR

- (a) Trade Receivables from Swiber Offshore Constructions Pte Ltd, Singapore (SOC) and Swiber Offshore India Private Ltd. (SOI) is ₹ 1134.70 million. These outstanding arising out of the services rendered by the Company to above Swiber entities towards the contract awarded by ONGC to Swiber. SOC as per the Hon'ble High Court, Singapore is under the Judicial Management. The Company initially initiated legal recourse against SOI in Hon'ble Bombay High Court under the terms of the Contract The matter before Singapore is pending. In India the legal recourse has been kept in abeyance as SOI has no visible Assets. ONGC, The principal Contractor had suspended the Contract of Swiber and stepped into contractual commitment of Swiber for completion of balance work. The Company



Notes to Standalone Financial Statements

for the year ended March 31, 2020

along with large number of affected Vendors are pursuing with ONGC for recovery of outstanding. The necessary provisions have already been made in the accounts to the above receivables.

- (b) During the year the company has received ₹ 33.12 million towards final instalment of settlement agreement entered with Sea Horse General Contracting Establishment, UAE, relating to charter hire for a vessel for ₹ 206.36 million during FY 2017-18 and accordingly provision has been written back to that extent.
- (c) ₹ 37.42 million (Previous year ₹ 37.42 million) receivable from Synergy Subsea Engineering LLC, UAE ('Synergy') relating to charter hire for a vessel. During the year 2017-18, the Company has entered into settlement agreement with the M/s Synergy Sub Sea Engineering LLC Dubai for realization of outstanding dues. The necessary provisions have already been made in the accounts to the above receivables.
- (d) ₹ 133.97 million (Previous year ₹ 187.64 million) receivable from Sanat Gostar Kish Co. (Sanat) relating to charter hire for a vessel. During the year 2017-18, the Company has entered into settlement agreement with Holding company of Sanat for realization of outstanding dues. Pending recovery against the settlement, necessary provisions amounting to ₹ 59.22 million (net of dues payable) against the said contract has been made.
- (e) During the previous year the Company has made provision towards receivable from IGOPL Offshore Private Limited (IGOPL) relating to charter hire for a vessel amounting to ₹ 107.75 million (net of payable to IGOPL ₹ 9.27 million). During the year, the Company has received ₹ 31 million from said customer and accordingly provision has been written back to that extent.

The change in allowance for uncollectible trade receivables is as follows

						₹ million
Allowance for doubtful debts	Beginning Balance	Additional allowance for the year	Recoveries	Uncollectible receivables written off	Allowance written back	Closing Balance
Year ended March 31, 2020	1,622.70	2.68	67.91	4.57	67.91	1,557.47
Year ended March 31, 2019	1,591.10	166.96	135.36	-	135.36	1,622.70

42. (a) EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

		₹ million
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Crew cost	48.73	61.57
Travelling	4.55	2.09
Victualling cost	5.69	8.36
Sub contractor cost- diving project	325.75	379.39
Legal & professional fees	5.00	30.44
Consumables	19.77	29.60
Spares	59.73	70.63
Repairs & Maintenance	5.01	0.16
Consultancy fees	55.24	22.30
Others	14.72	27.60
	544.19	632.14

(b) Earnings in foreign currency (on accrual basis)

		₹ million
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations	3,473.37	2,732.83
Guarantee fee income	2.83	2.43

Notes to Standalone Financial Statements

for the year ended March 31, 2020

43. SEGMENT INFORMATION

For management purposes, the company is organized into business units based on its services and has two reportable segments i.e. Domestic and Overseas.

The chief operational decision maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The Operating segments have been identified based on geographical location of the vessel. The operating segments have been disclosed based on revenues within India and outside India.

Particulars	Year ended March 31, 2020			Year ended March 31, 2019		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Revenue						
Revenue from operations	3,454.30	198.24	3,652.54	2,877.11	161.16	3,038.27
Segment Profit / (Loss)	1,086.65	43.33	1,129.98	738.26	(4.61)	733.65

*Assets used in the Company's business or liabilities contracted have not been identified to any segment, as the assets and services are used interchangeably between segments. Accordingly, no disclosure relating to segment assets are made.

Reconciliations to amounts reflected in the financials statements

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Segment profit	1,129.98	733.65
Financial cost	(10.25)	(6.17)
Other un-allocable income	235.87	78.13
(Loss) / Profit before tax	1,355.60	805.61

Revenue from Major Customers

Particulars	Year ended March 31, 2020			Year ended March 31, 2019		
	Domestic	Overseas	%	Domestic	Overseas	%
Customer A	2,131.90	-	58.37%	1,561.37	-	51.39%
Customer B	610.86	-	16.72%	747.53	-	24.60%
Customer C	563.43	-	15.43%	-	-	-
Others	148.10	198.25	9.48%	568.21	161.16	24.01%
Total	3,454.29	198.25	100.00%	2,877.11	161.16	100.00%

44. RELATED PARTIES DISCLOSURE

I Names of Related Party & related party relationship

i Related parties where control exist

Holding Company	HAL Offshore Limited
Subsidiary	Seamec International FZE

ii Related parties with whom transactions have been taken place

Chairman	Mr. Sanjeev Agrawal
Relative of Chairman	Mrs. Deepti Agrawal
Chief Financial Officer & President	Mr. V.K Gupta (up to 30.06.2019)
Chief Financial Officer	Mr. Vinay Kumar Agarwal (from 09.08.2019)
Company Secretary & President	Mr. S.N. Mohanty
Corporate Affairs & Legal	
Director	Mr. Surinder Singh Kohli
	Mr. Deepak Shetty
	Mrs. Seema Jayesh Modi

II Refer Annexure A for Related Party Transactions taken place during the year



Notes to Standalone Financial Statements

for the year ended March 31, 2020

45. EARNING PER SHARE

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	₹ million	
	Year ended March 31, 2020	Year ended March 31, 2019
Profit after tax	1,301.19	767.13
Net profit for calculation of basic and diluted EPS	1,301.19	767.13
Weighted average number of equity shares outstanding (Nos.)	25.43	25.43
Basic & Diluted Earnings Per Share (FV ₹10/- each)	51.18	30.17

46. REVENUE FROM CONTRACT WITH CUSTOMERS (IND AS 115)

The revenue from contracts with customers to the amounts disclosed as total revenue is as under :

Particulars	₹ million	
	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from contract with customer	3,613.92	3,013.93
Other operating revenue	38.62	24.34
Total Revenue	3,652.54	3,038.27

The disaggregation of revenue from contracts with customers is as under :

(A) Segment Wise

Particulars	₹ million	
	Year ended March 31, 2020	Year ended March 31, 2019
Multi support vessels	3,420.03	2,852.77
Bulk carrier	193.89	161.16
Total	3,613.92	3,013.93

(B) On the basis of Geographical Location

Particulars	₹ million			
	Year ended March 31, 2020		Year ended March 31, 2019	
	India	Overseas	India	Overseas
Multi support vessels (Over time)	3,420.03	-	2,852.77	-
Bulk carrier (Over time)	-	193.89	-	161.16
Total	3,420.03	193.89	2,852.77	161.16

The contract assets & liability from contract with customers is as under

(A) Contract Assets

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Opening balance of contract assets	1.02	12.28
Previous year – Contract asset – Reclassified to trade receivable on invoicing	1.02	12.28
Current year – Contract asset	17.84	1.02
Closing balance of contract assets	17.84	1.02

(B) Contract Liability

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Opening balance of contract liability	-	4.48
Previous year – Contract liability – Revenue recognized during the year	-	4.48
Current year – Contract liability carried forward	0.67	-
Closing balance of contract liability	0.67	-

Notes to Standalone Financial Statements

for the year ended March 31, 2020

The nature of services and its disclosure of timing of satisfaction of performance obligation mentioned in Note No. 3.

Contract assets in the balance sheet constitutes unbilled accounts to customers representing the company's right to consideration for the services transferred to date. Any amount previously recognized as contract assets is reclassified to trade receivable at the time it is invoiced to the customer.

Contract liabilities in the balance sheet constitutes advance payments and billings in excess of revenue recognized, the company expects to recognise such revenue in the next financial year.

There were no significant change in contract assets and contract liability during the reporting period except amount as mentioned in the table and the explanation given above.

Under the payment terms generally applicable to company's revenue generating activities, prepayments are received only to a limited extent. Typically, payment is due upon or after completion of the services.

47. CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE AS PER SECTION 135 OF THE COMPANIES ACT, 2013

Particulars	₹ million	
	Year ended March 31, 2020	Year ended March 31, 2019
Gross amount required to be spent by the company during the year	-	-

Amount spent during the year ending on March 31, 2020:

Particulars	In Cash	Yet to be Paid	Total
Construction / acquisition of asset	-	-	-
On purpose other than above	0.35	-	0.35

Amount spent during the year ending on March 31, 2019:

Particulars	In Cash	Yet to be Paid	Total
Construction / acquisition of asset	-	-	-
On purpose other than above	-	-	-

48. UN-HEDGED FOREIGN CURRENCY EXPOSURE AS AT BALANCE SHEET DATE

Particulars	Currency	₹ million			
		Year ended March 31, 2020		Year ended March 31, 2019	
		Amount in foreign currency	Amount in INR	Amount in foreign currency	Amount in INR
Trade payables	EURO	0.28	23.35	0.43	33.87
	GBP	(0.01)	(0.93)	0.01	0.65
	NOK	0.06	0.40	0.04	0.35
	SGD	0.02	0.87	0.01	0.67
	CAD	-	-	0.01	0.57
	AED	0.02	0.34	-	-
	USD	15.64	1,189.63	12.93	899.09
	JPY	-	-	1.16	0.73
	Total		1213.66	Total	935.93
Trade receivables	USD	25.92	1,933.90	27.55	1,894.63
Unbilled revenue	USD	0.24	17.84	0.01	1.02
Unearned revenue	USD	0.01	0.67	-	-
Bank balances	USD	2.81	209.73	0.24	16.67
Non current investment	AED	3.00	45.19	2.00	25.68



Notes to Standalone Financial Statements

for the year ended March 31, 2020

49. LEASES

Operating Lease Commitments:

Office premises are obtained on operating lease / leave and license. The lease term is for the period of 1 to 9 years and renewable at the option of the Company. There are no restrictions imposed by lease arrangements. The total lease term is for a period of 108 months out of which there is a lock-in period of initial 60 months.

Lease liability maturity plan:

Particulars	₹ million	
	Year ended March 31, 2020	Year ended March 31, 2019
i. Payable not later than one year	17.50	12.91
ii. Payable later than one year but not later than five years	61.00	-
iii. Payable later than five years	-	-
Lease payment recognized in the statement of profit & Loss	-	24.11

The lease fees shall be increased by 15% over the last monthly lease fee paid after completion of every 36 months from the rent commencement date of the lease deed agreement.

50. FINANCIAL INSTRUMENTS

Fair value measurement

Particulars	As at March 31, 2020			As at March 31, 2019		
	FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost
	₹ million			₹ million		
Financial Assets						
Investments						
Mutual funds	1,715.54	-	45.19	949.25	-	25.68
Fixed deposit of corporates	-	-	41.00	-	-	-
Trade receivables	-	-	1,535.12	-	-	1,635.36
Cash and cash equivalents	-	-	221.99	-	-	16.81
Bank balances other than cash and cash equivalents	-	-	1,239.07	-	-	470.49
Deposits	-	-	14.06	-	-	16.51
Interest receivable	-	-	57.94	-	-	23.55
Other receivables	-	-	18.19	-	-	3.23
Total financial assets	1,715.54	-	3,172.56	949.25	-	2,191.63
Financial liabilities						
Borrowings	-	-	-	-	-	34.69
Trade payables	-	-	1,498.58	-	-	1,232.11
Other financial liabilities	-	-	143.11	-	-	73.19
Total financial liabilities	-	-	1,641.69	-	-	1,339.99

The management assessed that the fair value of trade receivables, cash and cash equivalents, other Bank Balance, Other financial assets, Trade payables, Borrowings and other financial liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the company's assets.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020, March 31, 2019:

₹ million					
	Date of Valuation	Fair value measurement using			
		Total	Quoted price in Active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value					
Investment in mutual fund	31-Mar-20	1715.54	1715.54	-	-
Investment in mutual fund	31-Mar-19	949.25	949.25	-	-

There have been no transfers between Level 1 and Level 2 during the year.

51. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

1. Defined Contribution Plans

Amount of ₹ 7.16 million (31.03.2019 : ₹ 6.79 million) is recognized as an expense and included in Employee Benefit Expense (refer note 34) in statement of profit and Loss, which includes provident fund and super annuation fund.

2. Defined Benefit Plans

The Company has a defined benefit gratuity plan. Every employee (other than crew who have covered under separate scheme) who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

Each year, the Board of Trustees reviews the level of funding in the India gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. The Board of Trustees decides its contribution based on the results of this annual review.

The Obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and other comprehensive income the funded status and amounts recognized in the balance sheet for the respective plans.

Statement of Profit and Loss

Net employee benefit expense (recognized in contribution to provident, gratuity fund and other funds)

₹ million

Particulars	Gratuity	
	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	0.54	0.44
Net Interest cost as per note below	0.04	0.07
Past service cost	-	-
Expenses recognized	0.58	0.51



Notes to Standalone Financial Statements

for the year ended March 31, 2020

Net Interest cost for the year

Particulars	₹ million	
	Year ended March 31, 2020	Year ended March 31, 2019
Interest cost	0.68	0.62
(Interest income)	(0.64)	(0.55)
Net Interest cost for period	0.04	0.07

Remeasurement gains/Losses in Other Comprehensive Income:

Particulars	₹ million	
	Year ended March 31, 2020	Year ended March 31, 2019
Actuarial changes arising from changes in demographic assumptions	-	0.04
Actuarial changes arising from changes in financials assumptions	0.30	0.53
Experience adjustments	0.56	0.02
Return on plan assets excluding interest income	(0.04)	0.02
Net (income) / expense recognized for the period in other comprehensive income	0.82	0.61

Balance sheet

Details of Provision for gratuity

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Defined benefit obligation	11.19	9.68
Fair value of plan assets	10.80	9.16
	(0.39)	(0.52)
Less: Unrecognized past service cost	-	-
Plan asset / (liability)	(0.39)	(0.52)

Changes in the present value of the defined benefit obligation are as follows:

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligation	9.68	8.04
Interest cost	0.68	0.62
Current service cost	0.54	0.44
past Service cost	-	-
Benefits paid	(0.58)	-
Remeasurement (gains) / losses on obligation-Due to changes in demographic assumptions	-	0.04
Remeasurement (gains) / losses on obligation- Due to change in Financial assumptions.	0.31	0.52
Remeasurement (gains) / losses on obligation-Due to experience.	0.56	0.02
Closing defined benefit obligation	11.19	9.68

Changes in the fair value of plan assets are as follows:

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Opening fair value of plan assets	9.16	7.10
Interest income	0.64	0.54
Contributions by employer	1.54	1.54
Benefits paid	(0.58)	-
Return on plan assets excluding interest income	0.04	(0.02)
Closing fair value of plan assets	10.80	9.16

The Company expects to contribute ₹ 0.2 million (31.03.2019 : ₹ 0.2 million) to gratuity in F.Y.20-21.

Notes to Standalone Financial Statements

for the year ended March 31, 2020

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Investments with insurer	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate	5.76%	7.07%
Salary escalation	8.00%	8.00%
Attrition rate	15.00%	15.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

A quantitative sensitivity analysis for significant assumptions as at March 31, 2020 is as shown below:

Sensitivity Analysis

Particulars	As at March 31, 2020	As at March 31, 2019
Projected benefit obligation on current assumptions	11.19	9.68
Delta effect of +1% change in rate of discounting	(0.24)	(0.21)
Delta effect of -1% change in rate of discounting	0.25	0.23
Delta effect of +1% change in rate of salary increase	0.25	0.22
Delta effect of -1% change in rate of salary increase	(0.23)	(0.21)
Delta effect of +1% change in rate of employee turnover	(0.04)	0.02
Delta effect of -1% change in rate of employee turnover	0.04	(0.02)

₹ million

52. FINANCIAL RISK MANAGEMENT- OBJECTIVES AND POLICIES

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The management assures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below:

a Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings.

The below assumption has been made in calculating the sensitivity analysis:

- (1) The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.



Notes to Standalone Financial Statements

for the year ended March 31, 2020

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of financial instrument will fluctuate due to change in market interest rates. The company is not exposed to any significant interest rate risk as at the respective reporting dates.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities (when revenue or expense is denominated in a foreign currency). Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the company's functional currency. The company's foreign currency transactions are mainly in United State Dollars (USD).

The Company manages its foreign currency risk by natural hedging.

The following tables demonstrate the sensitivity to a reasonably possible change in USD and other exchange rates, with all other variables held constant. The impact on the company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	Change in Currency rate	₹ million
		Effect on Profit Before Tax
USD	1%	9.73
Other currency	1%	0.21
USD	-1%	(9.73)
Other currency	-1%	(0.21)

b Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade Receivables:

Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Financial Instruments and cash deposits

Credit risk from balances with banks is managed by the company's senior management. The company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020, March 31, 2019 is the carrying amounts as illustrated in respective notes.

c Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from inability to sell a financial asset quickly at close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available to meet any future commitments.

The table below summarizes the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

Particulars	On Demand	Not yet Due	Less than 3 Months	3 to 12 Months	> 1 Year	₹ million
						Total
(a) Borrowings	-	-	-	-	-	-
(b) Trade payables	1,211.97	286.61	-	-	-	1,498.58
(c) Other financial liabilities	81.85	-	-	-	61.27	143.11

Notes to Standalone Financial Statements

for the year ended March 31, 2020

53. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maximize the shareholder value.

The company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using debt equity ratio. The debt equity ratio as on March 31, 2020 is 0% (March 31, 2019: 1%). In the opinion of the board, the current assets, loan and advances are approximately of the value stated, if realized in the ordinary course of the business.

Dividend not recognized at the end of reporting period: The Board of Directors in their meeting on June 20, 2020, recommended a dividend of ₹ 1 per equity share for the financial year ended March 31, 2020.

54. SUBSEQUENT EVENT

The Board of Directors in their meeting on June 20, 2020, recommended a dividend of ₹ 1 per equity share for the financial year ended March 31, 2020.

- 55.** For the financial year ended March 31 2020 the impact of pandemic COVID 19 on Company's operations and financials remained insignificant. The company is predominantly engaged in exempted categories of services, i.e. service provider to Essential Service Sector. Moving forward, majority of the Company's assets are poised to be employed and thus prima facie the Company reasonably estimates no adverse substantive impact on its business, operations, financials, cash flow, liquidity or ability to service its financial obligations. However, the full extent to which the pandemic will impact the future financial results of the Company will depend on upcoming developments, which are highly uncertain including any new information concerning the severity of the pandemic. Management will continue to monitor any material changes to future economic conditions and the impact thereof on the Company, if any.

56. PREVIOUS YEAR FIGURES

Previous year figures have regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For **T R Chadha & CO LLP**

Chartered Accountants

Firm registration No. 006711N/N500028

Vikas Kumar

Partner

Membership No: 075363

Place: Mumbai

Date: June 20, 2020

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

Sanjeev Agrawal

Chairman

(DIN 00282059)

Vinay Kumar Agarwal

Chief Financial Officer

Place: Mumbai

Date: June 20, 2020

Deepak Shetty

Director

(DIN 07089315)

S N Mohanty

President-Corporate Affairs, Legal & Company Secretary



Notes to Standalone Financial Statements

for the year ended March 31, 2020

ANNEXURE- A Related Parties with whom transactions have taken place during the year ended March 31, 2020

Particulars Relationship	HAL Offshore Limited Holding Company		Seamec International FZE Subsidiary Company		Relatives of Key management Personnel		Key Management Personnel	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Transaction during the Year								
Income from operations	563.06	747.37	-	-	-	-	-	-
Other Income	-	-	2.83	2.43	-	-	-	-
Rent Expenses	-	-	-	-	24.78	23.64	-	-
Expenses	22.30	-	5.25	31.69	-	-	0.18	0.29
Salaries & Allowances	-	-	-	-	-	-	13.17	13.24
Directors sitting Fees	-	-	-	-	-	-	1.15	1.76
Year end balance	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Security Deposit given	-	-	-	-	12.98	15.94	-	-
Advance Rent (debit)	-	-	-	-	3.99	0.46	-	-
Balance payable	-	-	-	0.47	-	-	-	-
Balance receivable	114.16	429.50	-	2.44	-	-	-	-
Corporate Guarantee given	-	-	417.19	453.00	-	-	-	-

- 1 Provision for contribution to gratuity fund, leave encashment on retirement and other defined benefits which are made based on actuarial valuation on an overall Company basis are not included in remuneration to key management personnel.
- 2 Related party relationship is as identified by the company and relied upon by auditor.
- 3 The figures on income and expenses are net of taxes.

Terms and Conditions of transaction with Related parties

Outstanding balances at the period-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2020, the company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2019: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Independent Auditor's Report

To the Members of Seamec Limited

Report on the Audit of the Consolidated Financial Statements

1. OPINION

We have audited the accompanying consolidated financial statements of **Seamec Limited ("the Holding Company")** and its subsidiary Seamec International FZE, Dubai (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March 2020, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

2. BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on

Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

3. EMPHASIS OF MATTER

We draw attention to Note 56 to the accompanying consolidated financial statement which states that the impact of COVID-19 pandemic situation remained insignificant and explains the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter

4. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
A	<p>Carrying value, Useful life of the Fleet (Vessel) & Fleet Equipments of the Company, Amortization of Dry Dock Cost and Cost of Modification</p> <p>As on 31.03.2020, the Net Book Value of Fleet and Fleet Equipments stands at INR 2397.63 million, this includes Value of Vessels and Value of Equipments and Dry Dock Cost.</p>	<p>Our procedures in relation to the depreciable lives of the property, plant and equipment included:</p> <ul style="list-style-type: none"> Testing the key controls over the management's judgment in relation to the accounting estimates of the useful life of property, plant and equipment. Assessing the management's estimates on the useful life of property, plant and equipment with reference to technical evaluation, practice followed by peers and useful life prescribed in relevant schedule of Companies Act.



Sr. No.	Key Audit Matter	Auditor's Response
	<p>The management reviews the estimated useful life and the residual value of property, plant and equipment annually.</p> <p>Refer Note 3 (a), (c), (d) and 4 of Consolidated Financial Statements.</p>	<ul style="list-style-type: none"> We have also assessed the Company's process of assessing the impairment requirement, the revenue and cost related to each vessel has been analyzed for the purpose of any sign with regard to impairment. We have also assessed the recognition of Cost of modification based on recognition criterion given in relevant Ind AS.
B	Expected Credit Loss on Trade Receivable	
	<p>As on 31.03.2020, trade receivables stand at INR 1555.66 million after providing Expected Credit Loss amounting to INR 1557.47 million.</p> <p>Refer Note 3 (t) and 8 and 15 of Consolidated Financial Statements.</p>	<p>Our procedures in relation to the Expected Credit Loss on Trade Receivable included:</p> <ul style="list-style-type: none"> Testing with regard to trade receivable includes testing controls over billing and collections, ageing analysis, etc. Test the completeness and accuracy of the data. Critically assessed and tested the significant judgments used by management based on past experience. Analyzing the key terms of contract with customers to ascertain provision required for expected credit loss.

5. INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. If, based on the work performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to state in this regard.

6. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial

performance including other comprehensive income, changes in equity and cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of the preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, management and respective Board of Directors of the Companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors included in the Group are also responsible for overseeing the Group's financial reporting process.

7. AUDITORS' RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary company which is company incorporated in India, if any, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required

to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



8. OTHER MATTER

We did not audit the financial statement and other financial information; of a subsidiary whose Financial statements includes total assets of ₹ 1,894.39 million and total revenues of ₹ 16.88 million for the year ended on that date and net cash inflow of ₹ 74.94 million for the year ended on that date. These financial statements, prepared in accordance with accounting principles generally accepted in subsidiary's country of incorporation, have been audited by another auditor under generally accepted auditing standards applicable in that country. The company's management has converted these financial statements from accounting standards generally accepted in the country of incorporation of the subsidiary, to accounting principle generally in India. We have audited these conversion adjustments made by the company's Management. Our opinion on consolidated financial statements, in so far as its relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub – sections (3) of section 143 of the act, in so far as its relates to its aforesaid subsidiary is based solely on the report of such other auditors.

Our above opinion on the consolidated financial statements, and our report on the legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the management.

9. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- a. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on Separate financial statements and other financial information of subsidiary, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - i. We/the other auditors whose report we have relied upon, 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 of the aforesaid consolidated financial statements:
 - ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors:
 - iii. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including the statement of other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements:
 - iv. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - v. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the holding company, none of the directors of the Holding Company is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - vi. With respect to the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary, since the subsidiary company is not incorporated in India, No Separate report on the Internal financial control with reference to financial statement of company being issued; Referred annexure B to our audit report of even date on the standalone financial statements of the company.
 - vii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary, as noted in the 'other matter' paragraph:
 - i. The Consolidated financial statements disclose the impact of pending litigations on its Consolidated financial position of the Group – Refer Note 40 to the Consolidated financial statement;

- ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contract during the year ended 31 March 2020.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.
- b. With respect to the other matters to be included in Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our informations and according to the explanations

given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of the Section 197 of the Act.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm Regn. No: 006711N/N500028

Place: Mumbai
Date: 20th June 2020

Vikas Kumar
Partner
Membership No. 075363
UDIN : 20075363AAAAAN3428



Consolidated Balance Sheet

as at March 31, 2020

Particulars	Note No.	₹ million	
		As at March 31, 2020	As at March 31, 2019
A ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	4	2,481.25	2,355.66
(b) Capital work-in-progress	5	11.04	-
(c) Intangible assets	6	0.33	1.32
(d) Financial assets			
(i) Investments	7	1,715.55	949.25
(ii) Trade receivables	8	-	-
(iii) Loans	9	15.04	17.41
(iv) Other financial assets	10	634.90	470.03
(e) Non-current tax assets (net)	11	51.47	56.00
(f) Other non-current assets	12	7.53	14.67
		4,917.11	3,864.34
2) Current assets			
(a) Inventories	13	175.35	152.20
(b) Financial assets			
(i) Investments	14	70.10	221.85
(ii) Trade receivables	15	1,555.66	1,633.67
(iii) Cash and cash equivalents	16	280.32	19.96
(iv) Bank balances other than (iii) above	17	0.46	604.62
(v) Other financial assets	18	1,364.52	30.98
(c) Current tax assets (net)	19	3.85	-
(d) Other current assets	20	26.87	12.19
		3,477.13	2,675.47
TOTAL ASSETS		8,394.24	6,539.81
B EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	21	254.25	254.25
(b) Other equity	22	5,356.93	4,042.72
		5,611.18	4,296.97
2) Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	503.91	379.45
(ii) Other financial liabilities	24	380.64	85.51
(b) Provisions	25	6.32	7.01
(c) Deferred tax liabilities (Net)	26	23.17	4.69
		914.04	476.66
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	27	81.71	271.88
(ii) Trade payables			
- Total Outstanding dues to micro enterprises and small enterprises	28	12.09	4.25
- Total Outstanding dues of creditors other than micro enterprises and small enterprises		1,491.77	1,228.19
(iii) Other Financial liabilities	29	222.72	143.68
(b) Other current liabilities	30	53.73	111.54
(c) Provisions	31	7.00	6.64
		1,869.02	1,766.18
Total-Equity & Liabilities		8,394.24	6,539.81

Summary of significant accounting policies 3

The accompanying notes are an integral part of the financial statements 1-57

As per our report of even date

For **T R Chadha & CO LLP**

Chartered Accountants

Firm registration No. 006711N/N500028

Vikas Kumar

Partner

Membership No: 075363

For and on behalf of the Board of Directors of **SEAMEC Limited****Sanjeev Agrawal**

Chairman

(DIN 00282059)

Vinay Kumar Agarwal

Chief Financial Officer

Deepak Shetty

Director

(DIN 07089315)

S N Mohanty

President - Corporate Affairs, Legal & Company Secretary

Place: Mumbai

Date: June 20, 2020

Place: Mumbai

Date: June 20, 2020

Consolidated Statement of Profit and Loss

for the year ended March 31, 2020

₹ million

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
INCOME:			
Revenue from operations	32	3,841.03	3,136.96
Other income	33	298.81	296.44
TOTAL INCOME		4,139.84	3,433.40
Expenses:			
Operating expenses	34	1,457.67	1,096.90
Employee benefit expenses	35	631.14	644.65
Finance costs	36	50.66	34.22
Depreciation and amortisation expenses	37	546.04	519.11
Other expenses	38	67.44	281.51
TOTAL EXPENSES		2,752.95	2,576.39
PROFIT BEFORE TAX		1,386.89	857.02
Tax expense:	26		
Current tax		32.58	57.59
Previous years income tax		3.35	0.09
Deferred tax		18.48	(19.20)
TOTAL TAX EXPENSES		54.41	38.48
PROFIT FOR THE YEAR		1,332.48	818.54
OTHER COMPREHENSIVE INCOME			
Items that will be reclassified to profit or loss	39	(17.45)	46.85
Items that will not be reclassified to profit or loss (net of tax)		(0.82)	(0.61)
TOTAL COMPREHENSIVE INCOME		1,314.21	864.78
Earning per equity share:			
(1) Basic (Face Value of ₹ 10/- each)	45	52.41	32.19
(2) Diluted (Face Value of ₹ 10/- each)		52.41	32.19
Summary of significant accounting policies	3		
The accompanying notes are an integral part of the financial statements	1-57		

As per our report of even date

For **T R Chadha & CO LLP**
Chartered Accountants
Firm registration No. 006711N/N500028

Vikas Kumar
Partner
Membership No: 075363

Place: Mumbai
Date: June 20, 2020

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

Sanjeev Agrawal
Chairman
(DIN 00282059)

Vinay Kumar Agarwal
Chief Financial Officer

Place: Mumbai
Date: June 20, 2020

Deepak Shetty
Director
(DIN 07089315)

S N Mohanty
President -Corporate Affairs, Legal
& Company Secretary



Consolidated Cash Flow Statement

for the year ended March 31, 2020

₹ million

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	1,386.89	857.02
Adjustments to reconcile profit before tax to net cash flows		
Depreciation of property, plant and equipment	545.05	517.87
Amortisation of Intangible assets	-	1.24
Fair value gain on financial instrument at fair value through profit or loss	(50.92)	(32.90)
Provision for doubtful debts	2.68	166.96
Profit on sale on investment	(0.28)	(1.83)
Provision for doubtful debts written back	(67.91)	(135.36)
Gain on sale of fixed asset	(0.30)	-
Bad Debts write off	4.67	-
Other comprehensive income	0.82	(0.61)
Loss on sale of fixed asset	-	1.07
Liability written back	(14.85)	(9.77)
Interest income	(106.24)	(58.98)
Dividend on mutual funds	(0.48)	(1.04)
Short term capital gain on MF	(0.38)	(1.94)
Interest paid	50.66	(34.22)
Unrealised exchange (gain) / losses	22.94	40.53
Working capital: adjustments		
Decrease / (Increase) in inventories	(23.15)	(8.92)
Decrease / (Increase) in trade and other receivables and prepayments	90.06	(532.85)
Increase / (Decrease) in trade and other payable	527.32	227.05
Increase / (Decrease) in provision	(0.34)	1.50
Cash generated from operations	2,366.23	994.82
Direct taxes paid, net of refunds	(31.41)	(26.37)
Net cash flow from operating activities (A)	2,334.82	968.45
Cash flows from investing activities		
Purchase of Property, plant and equipment including CWIP (net of capital creditors)	(590.00)	(1,191.03)
Proceeds from sale of Property, plant and equipment	0.30	51.80
Purchase of investment	(820.40)	(899.98)
Redemption of / (Investment in) mutual fund- long term	256.77	374.89
Investment in bank deposits (having original maturity more than 3 months)	(842.93)	(924.06)
Redemption of bank deposits (having original maturity more than 3 months)	-	815.74
Profit on sale on investment	0.28	1.83
Interest received	71.55	78.80
Net cash from / (used in) investing activities (B)	(1,924.44)	(1,692.01)

Consolidated Cash Flow Statement (Cont...)

for the year ended March 31, 2020

₹ million

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from financing activities		
Interest paid	(44.04)	34.22
Long term loan taken	230.84	498.02
Lease rental payment	(22.83)	-
Repayment of long term borrowing	(106.38)	(47.42)
Net cash from/(used in) financing activities (C)	57.60	484.82
Effect of exchange rate differences on translation of foreign currency cash and cash equivalents	(17.45)	46.85
Net increase / (decrease) in cash and cash equivalents (A+B+C)	467.98	(238.74)
Cash and cash equivalents at the beginning of year	(251.92)	(60.03)
Cash and cash equivalents at the end of the year	198.61	(251.92)
Components of Cash and Cash equivalents		
Cash on hand	0.04	0.04
Balances with scheduled banks		
- current accounts	12.24	0.12
- Bank overdraft (repayable on demand)	(81.71)	(271.88)
- foreign currency accounts	268.04	19.80
Total	198.61	(251.92)

* Fixed deposits included in Cash and cash equivalents pertains to investments with an original maturity of three months or less. Fixed deposits having maturity greater than three months have been shown under the cash flow from Investing activities.

Statement of cashflow has been prepared under the indirect method as set out in the Ind AS - 7 "Statement of cashflow in the companies (Indian accounting standards) rules, 2015.

Summary of significant accounting policies

3

The accompanying notes are an integral part of the financial statements

1-57

As per our report of even date

For **T R Chadha & CO LLP**

Chartered Accountants

Firm registration No. 006711N/N500028

Vikas Kumar

Partner

Membership No: 075363

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

Sanjeev Agrawal

Chairman

(DIN 00282059)

Deepak Shetty

Director

(DIN 07089315)

Vinay Kumar Agarwal

Chief Financial Officer

S N Mohanty

President -Corporate Affairs, Legal & Company Secretary

Place: Mumbai

Date: June 20, 2020

Place: Mumbai

Date: June 20, 2020



Consolidated Statement of Changes in Equity

for the year ended March 31, 2020

(A) EQUITY SHARE CAPITAL

₹ million

	Number of Shares	Amount
Equity Shares of ₹10 each, issued, subscribed and fully paid		
At April 1, 2018	2,54,25,000	254.25
Changes in Equity Share Capital during the Year	-	-
At March 31, 2019	2,54,25,000	254.25
Changes in Equity Share Capital during the Year	-	-
At March 31, 2020	2,54,25,000	254.25

(B) OTHER EQUITY

For the year ended March 31, 2019

₹ million

Particulars	Reserves & surplus				OCI	Total other Equity
	Retained Earnings (Note 22)	General Reserve (Note 22)	Capital Redemption Reserve (Note 22)	Tonnage Tax Reserve u/s 115VT of Income Tax Act, 1961 (Note 22)	FVOCI Reserve (Note 22)	
As at April 1, 2018	2,099.55	914.17	84.75	45.02	34.46	3,177.95
Profit for the year	818.53	-	-	-	-	818.53
Transfer from surplus in statement of Profit and Loss for the year	-	-	-	128.43	-	128.43
Other comprehensive Income for the year:						
Remeasurement gains on defined benefit plans	-	-	-	-	(0.61)	(0.61)
Foreign Exchange difference on Translation of Foreign operations	-	-	-	-	46.85	46.85
Total comprehensive Income for the year	2,918.08	914.17	84.75	173.45	80.70	4,171.15
Tonnage reserve utilised	-	-	-	-	-	-
Transfer to tonnage reserve for the year	128.43	-	-	-	-	128.43
As at March 31, 2019	2,789.65	914.17	84.75	173.45	80.70	4,042.72

For the year ended March 31, 2020

₹ million

Particulars	Reserves & surplus				OCI	Total other Equity
	Retained Earnings (Note 22)	General Reserve (Note 22)	Capital Redemption Reserve (Note 22)	Tonnage Tax Reserve u/s 115VT of Income Tax Act, 1961 (Note 22)	FVOCI Reserve (Note 22)	
As at April 1, 2019	2,789.65	914.17	84.75	173.45	80.70	4,042.72
Profit for the year	1,332.48	-	-	-	-	1,332.48
Transfer from surplus in statement of Profit and Loss for the year	-	-	-	218.75	-	218.75
Other comprehensive Income for the year:						

Consolidated Statement of Changes in Equity (Cont...)

for the year ended March 31, 2020

Particulars	Reserves & surplus				OCI	Total other Equity
	Retained Earnings (Note 22)	General Reserve (Note 22)	Capital Redemption Reserve (Note 22)	Tonnage Tax Reserve u/s 115VT of Income Tax Act, 1961 (Note 22)	FVOCI Reserve (Note 22)	
Remeasurement gains on defined benefit plans	-	-	-	-	(0.82)	(0.82)
Foreign Exchange difference on Translation of Foreign operations	-	-	-	-	(17.45)	(17.45)
Total comprehensive Income for the year	4,122.13	914.17	84.75	392.20	62.43	5,575.68
Tonnage reserve utilised	-	-	-	-	-	-
Transfer to tonnage reserve for the year	218.75	-	-	-	-	218.75
As at March 31, 2020	3,903.38	914.17	84.75	392.20	62.43	5,356.93
Summary of significant accounting policies			3			
The accompanying notes are an integral part of the financial statements			1-57			

As per our report of even date

For **T R Chadha & CO LLP**
Chartered Accountants
Firm registration No. 006711N/N500028

Vikas Kumar
Partner
Membership No: 075363

Place: Mumbai
Date: June 20, 2020

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

Sanjeev Agrawal
Chairman
(DIN 00282059)

Vinay Kumar Agarwal
Chief Financial Officer

Place: Mumbai
Date: June 20, 2020

Deepak Shetty
Director
(DIN 07089315)

S N Mohanty
President -Corporate Affairs, Legal & Company Secretary

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

1 CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of SEAMEC Limited (the company) and its subsidiary (collectively, the Group) for the year ended March 31, 2020. The company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at A-901-905, 9th Floor, 215 Atrium, Andheri – Kurla Road, Andheri (East), Mumbai - 400069, India.

The Consolidated Financial Statements were authorised for issue in accordance with a resolution of the directors on June 20, 2020.

2 BASIS OF PREPARATION

The financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (referred to as Ind AS) as prescribed under section 133 of the Companies, Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time. The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The Standalone Financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest million, except otherwise stated.

2.1 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its Wholly owned subsidiary (SEAMEC INTERNATIONAL FZE, incorporated in Dubai, UAE) as at March 31, 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

Exposure, or rights, to variable returns from its involvement with the investee; and

The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and

when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

Rights arising from other contractual arrangements;

The Group's voting rights and potential voting rights; and

The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March, 2020. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

Derecognises the assets (including goodwill) and liabilities of the subsidiary

Derecognises the carrying amount of any non-controlling interests

Derecognises the cumulative translation differences recorded in equity

Recognises the fair value of the consideration received

Recognises the fair value of any investment retained

Recognises any surplus or deficit in profit or loss

Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Use of Judgements, Estimates and Assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial years, are described below:

Useful lives of property, plant and equipment including Impairment thereof

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. The group assess the impairment in the carrying value of tangible assets at each reporting date using best available information.

Recovery of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Provisions and contingent liabilities

The company is a party to certain legal disputes, the outcomes of which can not be assessed with a high degree of certainty. Base on the legal views and advice and management



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

estimates, provisions are recognised or contingent liabilities are disclosed based on application of managements judgements.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(b) Classification of Current and Non-Current

The Group presents assets and liabilities in the balance sheet based on current/ non – current classification.

An asset is treated as current when it is:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle,
- ii) Held primarily for the purpose of trading,
- iii) Expected to be realized within twelve months after the reporting year, or
- iv) Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as noncurrent.

A liability is current when:

- i) It is expected to be settled in normal operating cycle,
- ii) It is held primarily for the purpose of trading,
- iii) It is due to be settled within twelve months after the reporting year, or
- iv) There is no unconditional right to deter the settlement of the liability for at least twelve months after the reporting year.

The Group classifies all other liabilities as non – current.

Deferred tax assets and liabilities are classified as non – current assets and liabilities, as applicable.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The group has identified twelve months as its operating cycle.

(c) Property, plant and equipment.

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation /amortization and impairment losses, if any. The cost comprises of the purchase price (net of GST credit wherever applicable) and any attributable cost of bringing the property, plant and equipment to its working condition for its intended use.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development / under Dry Docking as at the balance sheet date.

Subsequent expenditures related to an item of property, plant and equipment are added to its gross book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

When a major inspection/ overhaul is performed, its cost is recognized in the carrying amount of the related property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

The Group identifies and determines separate useful life for each major component of property, plant and equipment, if they have useful life that is materially different from that of the remaining asset. The Company has identified expenditure incurred on dry-docking as a separate component which is capitalised as the cost of the relevant vessel and is amortized systematically over the interval until the subsequent scheduled dry-docking.

Items such as Machinery spares is recognised in accordance with Ind AS 16 "Property, Plant and Equipment" when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventories.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress". Advances

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

given towards acquisition of fixed property, plant and equipments outstanding at each Balance Sheet date are disclosed as Capital Advances under "Other Non Current Assets".

Losses arising from the retirement of, and gains and losses arising from disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the property, plant and equipment and are recognised in the statement of profit and loss when the property, plant and equipment is derecognised.

The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(d) Depreciation on Property, plant and equipment

Depreciation on property, plant and equipment is provided using the Straight Line Method as per the useful life of the property, plant and equipment estimated by the management. The Management estimates the useful life for property, plant and equipment as follows.

Assets	Useful life (In Years)
Fleet (Multi Support Vessels)	15 to 20
Fleet (Utility Vessel)	5
Fleet (Bulk Carrier)	25
Fleet Equipments	2 to 20
Lease hold improvements	5
Office Equipments and Computers	3 to 10
Vehicles	8

For these class of property, plant and equipment, based on technical evaluation carried out by the management, the useful life as given above best represent the period over which the management expects to use these property, plant and equipment. The useful life for these property, plant and equipment are different from the useful life as prescribed under Part C of schedule II of the Companies Act 2013. The Management believes that these estimated use full life are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Machinery spares which are capitalised, are depreciated over the balance useful life of the

respective property, plant or equipment or the balance useful life of mother vessel, whichever is lower.

Residual Value:

The useful life and residual values of the Group's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The life are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(e) Intangible Assets and Amortisation

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Intangible assets are amortized over their estimated useful economic life. Computer Software cost is amortized over a period of five years using straight-line method.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

(f) Non-current assets held for sale

The Group classifies non-current assets as held for sale, if their carrying amounts will be recovered principally through a sale. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset or to be highly probable when:

- (a) The appropriate level of management is committed to a plan to sell the asset,
- (b) An active programme to locate a buyer and complete the plan has been initiated,
- (c) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- (d) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- (e) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell.

Assets classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortised.

(g) Impairment of Non Financial Assets.

As at each balance sheet date, the Group assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Group determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

(h) Inventories

Inventories consist of stores and consumables for use in running of fleets. These are valued at lower of cost and net realizable value after providing for obsolescence, if any. Cost is determined on

weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

An item of spare part meets the definition of 'property, plant and equipment' and satisfies the recognition criteria as per paragraph 7 of Ind AS 16, such an item of spare is recognised as property, plant and equipment. If that spare part does not meet the definition and recognition criteria as cited in paragraph 7 of Ind AS 16 that spare is recognised as inventory. Spare parts are generally available for use from the date of its purchase. Accordingly, spare parts recognised as property, plant and equipment are depreciated when the same are available for use.

(i) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

(j) Retirement and other employee benefits

Retirement benefits in the form of Provident Fund are a defined contribution scheme. The Group's contributions paid / payable towards these defined contribution plan is recognized as expense in the Statement of Profit and Loss during the year in which the employee renders the related service. There are no other obligations other than the contribution payable to the respective fund. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Contribution to Superannuation Fund, a defined contribution plan, is made to the Life Insurance Corporation of India, as per the arrangement with

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

them, and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due.

Gratuity, a defined benefit scheme is covered by a Group Gratuity cum Life Assurance Policy with Life Insurance Corporation of India ("LIC"). Annual contribution to the fund is as determined by LIC. The shortfall between the accumulated funds available with LIC and liability as determined on the basis of an actuarial valuation is provided for as at the year-end. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent years.

Past service costs are recognised in profit or loss on the earlier of:

The date of the plan amendment or curtailment and the date that the group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

Service costs comprising current service costs, past-service costs, gains and losses on curtailments and nonroutine settlements; and Net interest expense or income.

Short term compensated absences are provided for based on estimates. The Group presents these as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement

purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

(k) Foreign Currency transactions

The Group's financial statements are presented in INR, which is also the Company's Functional Currency.

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying, to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the fortnightly average rates.

ii) Conversion

At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Group's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference. (i.e. translation differences on items whose gain or loss is recognised in other comprehensive income or the statement of profit and loss is also recognised in other comprehensive income or the statement of profit and loss respectively).

(l) Taxes on Income

Tax expense comprises of Current Tax, Deferred Tax and tax adjustments of earlier years. Current Income tax liability on shipping income is determined based on the net tonnage of each



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

of its vessels, in accordance with section 115VT of the Income Tax Act, 1961. Income other than shipping income is taxed in accordance with the other provisions of the Income Tax Act, 1961.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for the financial reporting purposes at the reporting date.

Deferred tax are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax liabilities / Assets are not recognised for all taxable temporary differences, except for Non shipping income/ Expenses, since the Company is assessed under section 115VT of the Income Tax Act, 1961.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(m) Revenue Recognition.

i) Revenue from Contract with Customers

Revenue is recognised in the Statement of Profit and Loss when:

- Identification of the contract, or contracts, with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when, or as, we satisfy a performance obligation

Revenue is recognised when the performance obligation has been satisfied, which happens upon the transfer of control to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the services. Revenue is recognised when or as performance obligations are satisfied by transferring the promised services to the customer, i.e. at a point in time or over time provided that the stage of completion can be measured reliably.

Revenue mainly comprises charter hire from the vessels, which is recognised on a straight-line basis over the period of the charter. Revenues from supply of crew and services are classified as other operating revenue and recognised on rendering of the service, based on day rate charges as per the terms of the agreements.

Cost of services rendered includes port expenses, bunkers (Fuel Oil), commissions, hire of boat/steamers, stores, spares, repair and maintenance expenses, Insurance expenses etc.

Employee Benefit Expenses - Operating expenses, which comprise of shore staff & floating staff expenses. Financial expenses - Financial expenses comprise interest expenses. Other expenses - Other expenses which comprise office expenses, provisions, managements cost and other expenses relating to administration.

The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

The company has adopted Ind AS 115 "Revenue from Contract with Customers"

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

w.e.f. April 01, 2018, using the Modified Retrospective Transition Approach, which is applied to contracts that were not completed as of April 01, 2018.

ii) Interest & Dividend Income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss. Dividend income is recognised when the Group's right to receive dividend is established by the Balance Sheet date.

(n) Leases.

On April 1, 2019, the Company adopted INDAS 116, Leases. Accordingly, the policy for Leases as presented in the Company's Annual Report is amended as under:

The Company as a Lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

1. The contract involves the use of an identified asset
2. The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
3. The Company has the right to direct the use of asset.

As the date of commencement of the lease, the Company recognizes a right-of-use-asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain Lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The of right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-to-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the assets belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of changes its assessment if whether it will exercise an extension or a termination option.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Lease liability and ROU asset have been separately presented in the respective Note and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

(o) Provisions

A provision is recognized when the Company has a present obligation (Legal or Constructive) as a result of past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(p) Segment Reporting

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified based on geographical location of the vessel. The operating segments have been disclosed based on revenues within India and outside India.

(q) Earnings per Share

Basic earnings per share are calculated by dividing the net profit/ loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of diluted potential equity shares, if any.

(r) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

(s) Borrowing Costs

Borrowing costs directly attributable to the acquisition and construction of an asset which takes a substantial period of time to get ready for its intended use, are capitalized as a part of the cost of such assets, until such time the asset is substantially ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the year in which they occur.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Borrowing costs consist of interest and other costs incurred in connection with borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(t) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- (i) Debt instruments at amortised cost
- (ii) Debt instruments at fair value through other comprehensive income (FVTOCI).
- (iii) Debt instruments at fair value through profit or loss (FVTPL).
- (iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise to specified dates to cash flows that are solely payments of principal and

interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using

the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

A financial asset is primarily derecognised when:

The rights to receive cash flows from the asset have expired, or

The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

- (a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the group's continuing



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets.

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

The group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent year, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an company is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, these historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings, or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

The group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model

for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(u) Unbilled Revenue and Billing in excess of revenue

Unbilled revenue represents the aggregate of costs chargeable and margin earned under projects in progress as of the balance sheet date. Such amounts become billable according to the contract terms which usually consider the passage of time, achievement of certain milestones or completion of the project.

Contract revenue earned in excess of billing has been reflected under "Other Financial Assets" and billing in excess of contract revenue is reflected under "Other Financial Liabilities" in the balance sheet.

(v) Fair Value Measurement

The Group measures financial instruments at fair value each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

- (b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The Management comprises of the head of the investment properties segment, heads of the group's internal mergers and acquisitions team, the head of the risk management department, financial controllers and chief finance officer.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

4. PROPERTY, PLANT AND EQUIPMENT

₹ million

Particulars	Fleet and fleet equipment*	Machinery spares	Leasehold improvement	Right of use Asset	Office Equipments	Vehicles	Total
Cost							
At April 1, 2018	2,948.91	23.95	0.98	-	1.84	0.21	2,975.89
Additions	1,182.22	7.37	-	-	0.27	1.44	1,191.30
Disposals	-	1.00	-	-	-	-	1.00
At March 31, 2019	4,131.13	30.32	0.98	-	2.11	1.65	4,166.19
Additions	567.48	10.67	-	90.70	0.15	1.64	670.64
Disposals	-	-	-	-	-	-	-
At March 31, 2020	4,698.61	40.99	0.98	90.70	2.26	3.29	4,836.83
Depreciation							
At April 1, 2018	1,274.35	16.76	0.98	-	1.28	0.21	1,293.58
Charge for the Year	507.71	9.53	-	-	0.50	0.12	517.86
Disposals	-	0.91	-	-	-	-	0.91
At March 31, 2019	1,782.06	25.38	0.98	-	1.78	0.33	1,810.53
Charge for the Year	518.92	5.54	-	19.74	0.40	0.45	545.05
Disposals	-	-	-	-	-	-	-
At March 31, 2020	2,300.98	30.92	0.98	19.74	2.18	0.78	2,355.58
Net Block							
At March 31, 2019	2,349.07	4.94	-	-	0.33	1.32	2,355.66
At March 31, 2020	2,397.63	10.07	-	70.96	0.08	2.51	2,481.25

* Refer note No. 23 for Vessel Mortgage with Bank for Term loan.

5. CAPITAL WORK-IN-PROGRESS

₹ million

Particulars	As at March 31, 2020	As at March 31, 2019
Capital work - in - progress	11.04	-
	11.04	-

6. INTANGIBLE ASSETS

₹ million

Particulars	Software
Cost	
At April 1, 2018	6.57
Additions	0.14
Disposals	-
At March 31, 2019	6.71
Additions	-
Disposals	-
At March 31, 2020	6.71
Amortisation	
At April 1, 2018	4.15
Charge for the Year	1.24



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Particulars	₹ million
Disposals	-
At March 31, 2019	5.39
Charge for the Year	0.99
Disposals	-
At March 31, 2020	6.38
Net Block	
At March 31, 2019	1.32
At March 31, 2020	0.33

7. NON CURRENT FINANCIAL ASSETS - INVESTMENTS

(Unquoted Investments)

Particulars	As at March 31, 2020	As at March 31, 2019
Investment in mutual fund carried at fair value through Profit and Loss		
9,35,182.501 Units(31.03.2019: 9,35,182.501) ICICI Prudential Medium Term Bond Fund-Growth	29.29	26.61
NIL Units (31.03.2019: 17,62,323.696) Nippon India Strategic Debt Fund Growth	-	25.92
7,19,164.726 Units(31.03.2019: NIL) Nippon India Short term fund -Growth Plan	27.17	-
39,33,910.307 Units(31.03.2019:39,33,910.307) Axis Equity Saver Fund Growth	47.17	50.28
94,47,081.230 Units(31.03.2019: 94,47,081.230) ABSL Credit Risk Fund- Growth Regular	136.60	129.14
89,690.183 Units(31.03.2019: 15,62,658.959) ABSL Arbitrage Fund- Div Reinvestment	0.96	16.75
39,79,307.600 Units(31.03.2019: 39,79,307.600) DSP Equity Saving Fund - Growth Regular	44.25	50.24
1,63,276.163 Units (31.03.2019: 9,61,064.819) HDFC Arbitrage Fund-Div Reinvestment	1.76	10.37
85,70,037.777 Units (31.03.2019:85,70,037.777) HDFC Credit Risk Debt Fund - Regular Growth	142.66	130.74
48,25,000 Units (31.03.2019: 48,25,000) ABSL FTP RN D-Growth	55.57	50.68
420,013.944 Units (31.03.2019: 420,013.944) ABSL Corporate Bond Fund- Growth	32.87	30.09
1,445,518.411 Units (31.03.2019: 1,445,518.411) HDFC Corporate Bond Fund-Growth	33.12	30.08
1,575,514.405 Units(31.03.2019:1,575,514.405) ICICI Prudential Corporate Bond Fund-Growth	32.81	30.09
NIL Units (31.03.2019: 1,932,072.028) Sundaram Short Term Credit Risk Fund Growth	-	52.58
827,338.576 Units (31.03.2019: 827,338.576) Kotak Dynamic Bond Fund Regular Plan Growth	22.23	20.08
1,057,861.498 Units(31.03.2019: 1,057,861.498) ICICI Medium Term Bond Fund-Growth	33.13	30.10
1,264,037.842 Units(31.03.2019:1,264,037.842) L&T Short Term Bond Fund-Growth	24.62	22.56
704,346.877 Units(31.03.2019: 704,346.877) ICICI Medium Term Bond Fund-Growth	22.06	20.04
519,182.495 Units(31.03.2019: 519,182.495) ICICI Short Term Bond Fund-Growth	21.89	20.11
6,562,282.624 Units(31.03.2019: NIL) HDFC banking and PSU debt fund - regular plan - Growth	108.42	-
2,553,130.649 Units(31.03.2019: NIL) ICICI Short Term Bond Fund-Growth	107.66	-
5,928,455.317 Units (31.03.2019: NIL) HDFC Short Term Debt Fund - Growth	135.69	-
14,842.16 Units (31.03.2019: NIL) Kotak Corporate Bond Fund - Direct Growth	40.97	-
2,293,643.740 Units (31.03.2019: NIL) IDFC Banking & PSU Debt Fund - Growth	41.20	-
947,315.072 Units (31.03.2019: NIL) IDFC Bond Fund- Short Term Plan - Growth	41.08	-
2,305,310.744 Units (31.03.2019: NIL) ICICI Prudential Short Term Fund - Growth	102.28	-
2,008,161.167 Units (31.03.2019: NIL) ICICI Prudential All Season Bond Fund - Growth	51.50	-
2,151,439.851 Units (31.03.2019: NIL) Kotak Banking & PSU Debt Funds- Growth	102.51	-
219,666.209 Units (31.03.2019: NIL) ICICI Asset Allocator Fund - Growth	10.45	-
Investment in market linked debenture carried at fair value through Profit and Loss		
30.00 Units (31.03.2019: NIL) ESSKAY fincop ltd - PP MLD	30.00	-
Investment in Alternate Investment Fund carried at fair value through Profit and Loss		
87.760 Units (31.03.2019: 45.00) Avendus structured credit fund-I	45.13	23.75

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
24, 913,999.94 Units (31.03.2019: 28,130,692.127) UTI structured debt opportunities fund - I (T units)	25.09	2.84
566,329.85 Units (31.03.2019: 7,86,301.324) UTI structured debt opportunities fund - I (Regular units)	55.25	76.20
1000.00 Units (31.03.2019: 1000.00) IIFL enhance coupon plus I	110.16	100.00
Total value of Investment	1,715.55	949.25
Aggregate amount of quoted investment and market value thereof.	-	-
Aggregate amount of unquoted investments.	1,715.55	949.25
Aggregate amount of impairment in value of investments.	-	-

8. NON CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Trade receivables (Refer note 42)	-	-
Receivable from related party (Refer note 44)	-	-
Total Trade Receivables	-	-
Break-up of Trade Receivables		
Secured, considered good	-	-
Unsecured, considered good	-	-
Trade receivables which have significant increase in credit risk	-	-
Credit impaired	1,134.75	1,134.75
	1,134.75	1,134.75
Impairment allowance		
Less: Allowance for doubtful debts (expected credit loss) (refer note 42)	1,134.75	1,134.75
Total trade receivables	-	-

9. NON CURRENT FINANCIAL ASSETS - LOANS (Loan receivable - unsecured, considered good)

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Security deposits (related party ₹ 12.98 million) (31.03.2019 ₹ 15.94 million)	15.04	17.41
	15.04	17.41

10. OTHER FINANCIALS ASSETS - NON CURRENT

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Bank deposits with original maturity for more than 12 months**	634.90	470.03
	634.90	470.03

** Fixed deposits worth ₹ NIL (31.03.2019: ₹ 351.56 million) kept as lien with Bank against various facilities (including bank guarantee) / pending litigation.



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

11. NON CURRENT TAX ASSETS

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Advance income-tax (net of provisions for taxation ₹ 90.68 million (31.03.2019: ₹ 98.13 million))	51.47	56.00
	51.47	56.00

12. OTHER NON CURRENT ASSETS

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Advance rent (related party ₹ 3.10 million) (31.03.2019 NIL)	3.10	-
Prepaid expenses	-	5.98
Service tax under protest	4.43	8.69
	7.53	14.67

13. INVENTORIES

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
(Valued at lower of cost and net realisable value)		
Stores and consumables	171.73	143.54
Goods in transit - stores and consumables	3.62	8.66
	175.35	152.20

14. CURRENT FINANCIAL ASSETS - INVESTMENTS

Unquoted Investments

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Investment in Other Fund carried at fair value through Profit and Loss		
787,834 Units (31.03.2019: 30,00,000) Varanium India focus fund.	29.10	221.85
Investment in Fixed Deposit of Corporates at Amortised cost		
8.10% BAJAJ finance limited	41.00	-
	70.10	221.85
Total Value of Investment (unquoted)		
Aggregate amount of quoted investment and market value thereof.	-	-
Aggregate amount of unquoted investments.	70.10	221.85
Aggregate amount of impairment in value of investments.	-	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

15. TRADE RECEIVABLES

₹ million		
Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables (refer note 42)	1,441.50	1,204.19
Receivable from related party (refer note 44)	114.16	429.48
Total Trade Receivables	1,555.66	1,633.67
Break-up of Trade Receivables		
Considered good - secured	-	-
Considered good - unsecured	1,555.66	1,633.67
Trade Receivables which have significant increase in credit risk	-	-
Credit impaired	422.72	487.94
	1,978.38	2,121.61
Impairment Allowance		
Less: Allowance for doubtful debts (expected credit loss) (refer note 42)	422.72	487.94
Total Trade Receivables	1,555.66	1,633.67

16. CASH AND CASH EQUIVALENTS

₹ million		
Particulars	As at March 31, 2020	As at March 31, 2019
Balances with scheduled banks		
- current accounts	12.24	0.12
- foreign currency accounts	268.04	19.80
Cash on hand	0.04	0.04
	280.32	19.96

17. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ million		
Particulars	As at March 31, 2020	As at March 31, 2019
- Unpaid dividend account *		
- Deposits with original maturity for more than 3 months but less than 12 months **	0.46	0.46
	-	604.16
	0.46	604.62

* The company can utilise these balances only towards settlement of respective unpaid dividend.

** Fixed deposits worth ₹ NIL (31.03.2019: ₹ 401.19 million) kept as lien with Bank against various facilities (including bank guarantee) / pending litigation.



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

18. OTHER CURRENT FINANCIAL ASSETS

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Bank deposits with remaining maturity for less than 12 months**	1,282.22	-
Interest receivable	62.44	27.75
Unbilled revenue	17.84	1.02
Other receivables	2.02	2.21
	1,364.52	30.98

** Fixed deposits worth ₹ 678.51 million (31.03.2019: ₹ NIL) kept as lien with Bank against various facilities (including bank guarantee) / pending litigation.

19. OTHER CURRENT TAX ASSETS

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Advance income-tax	3.85	-
	3.85	-

20. OTHER CURRENT ASSETS

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	10.68	6.39
Advance to vendors	15.30	5.34
Advance rent (related party ₹ 0.89 million) (31.03.2019 ₹ 0.46 million)	0.89	0.46
	26.87	12.19

21. EQUITY SHARE CAPITAL

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Authorised Shares		
50,000,000 (31.03.2019 : 50,000,000) equity shares of ₹ 10 each	500.00	500.00
Issued, subscribed and fully paid-up		
25,425,000 (31.03.2019 : 25,425,000) equity shares of ₹ 10 each fully paid-up	254.25	254.25
	254.25	254.25

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	₹ million			
	As at March 31, 2020		As at March 31, 2019	
	Nos	₹ million	Nos	₹ million
At the beginning of the Year	2,54,25,000	254.25	2,54,25,000	254.25
Outstanding at the end of the year	2,54,25,000	254.25	2,54,25,000	254.25

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding Company

Out of equity shares issued by the Company, shares held by its holding Company are as below:

All in nos	₹ million	
	As at March 31, 2020	As at March 31, 2019
HAL Offshore Limited	1,76,87,475	1,76,87,475

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	Nos	% holding in the class	Nos	% holding in the class
HAL Offshore Limited	1,76,87,475	69.57%	1,76,87,475	69.57%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(e) (e) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date

	₹ million	
	As at March 31, 2020	As at March 31, 2019
	Nos	Nos
Equity Shares bought back by the Company	-	-

During the year ended March 31, 2016, the Company had bought back a total of 84,75,000 equity shares of ₹ 10 each at a total consideration of ₹ 1,059.38 million. Accordingly, the face value of shares bought back amounting to ₹ 84.75 million had been adjusted against Share Capital and the balance amount of ₹ 501.75 million and ₹ 472.88 million have been adjusted against the securities premium and general reserve respectively. Further, in accordance with the Section 69 of the Companies Act, 2013, the Company had transferred an amount of ₹ 84.75 million, being a sum equal to nominal value of equity shares bought back, from general reserve to capital redemption reserve.

22. OTHER EQUITY

	₹ million	
	As at March 31, 2020	As at March 31, 2019
Capital redemption reserve		
Balance as per the last Financial Statements	84.75	84.75
Add: Transfer from General Reserve (refer note 21 (e))	-	-
Closing Balance	84.75	84.75
General reserve		
Balance as per the last Financial Statements	914.17	914.17
Add: Transfer from Tonnage Reserve for the year	-	-



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

	As at March 31, 2020	As at March 31, 2019
Less: Transfer to Capital Redemption Reserve (refer note 21 (e))	-	-
Closing Balance	914.17	914.17
Tonnage tax reserve u/s 115VT of Income Tax Act, 1961		
Balance as per the last Financial Statements	173.45	45.02
Add: Transfer from surplus in statement of Profit and Loss for the year	218.75	128.43
	392.20	173.45
Less: Tonnage Reserve utilized	-	-
Closing Balance	392.20	173.45
Other Component of Equity		
Surplus in Statement of Profit and Loss		
Balance as per the last Financial Statements	2,870.35	2,134.01
Profit/ (loss) for the year	1,332.48	818.53
Other comprehensive income	(18.27)	46.24
Transfer to Tonnage tax reserve account u/s 115VT of Income Tax Act 1961	(218.75)	(128.43)
Closing Balance	3,965.81	2,870.35
	5,356.93	4,042.72

Nature and Purpose of Reserves:

(1) Capital redemption reserve:

Capital redemption reserve was created upon buy back of equity shares. The Company may utilise this reserve in compliance with the provisions of the Companies Act 2013.

(2) General reserve:

General reserve represents appropriation of retained earnings and are available for distribution to shareholders.

(3) Tonnage tax reserve u/s 115VT of Income Tax Act, 1961:

A tonnage tax company shall, subject to and in accordance with the provisions of section 115VT of the Income Tax Act, 1961, on yearly basis credit to tonnage tax reserve account, an amount not less than twenty percent of the book profit derived from the activities referred to in clauses (i) and (ii) of sub-section (1) of section 115V-I of the Income Tax Act, 1961. The Company can utilise this reserve as per provisions of Income Tax Act 1961.

(4) Surplus in statement of profit & loss:

Surplus in statement of profit & loss represents surplus / accumulated earnings of the company and are available for distribution to shareholders.

(5) Dividend recommendation:

The Board of Directors in their meeting on June 20, 2020, recommended a dividend of ₹ 1 per equity share for the financial year ended March 31, 2020. This payment is subject to the approval of shareholders in the ensuing Annual General Meeting of the Company. This dividend if approved by shareholders would result in a net cash outflow of approximately ₹ 25.43 million.

23. BORROWINGS - NON CURRENT

	As at March 31, 2020	As at March 31, 2019
Term loans from bank (secured)	503.91	379.45
	503.91	379.45

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Note : Term loan is of USD 7.20 mn (Term Loan 1) repayable over the period of 84 months and the last repayment is due till July 2025. Term loan is denominated in USD with an effective interest rate of 400 BPS above 6 months LIBOR with minimum 6.25% p.a. and 2.00% extra on overdue instalments/interest is any.

Note : Term loan is of USD 3.061 mn (Term Loan 2) repayable over the period of 44 months and the last repayment is due till July 2023. Term loan is denominated in USD with an effective interest rate of 400 BPS above 6 months LIBOR with minimum 6.25% p.a. and 2.00% extra on overdue instalments/interest is any.

Term loan 1 is secured by the following

- Term loan agreement.
- Letter of instalment with acceleration clause.
- Mortgage of vessel.
- Assignment of freight earnings/charter hire revenue of vessel.
- Pledge over present and future stocks of the Establishment and assignment of present and future receivable of the Establishment.
- Undated security cheque of USD 7.20 million.
- Assignment of insurance policy in bank's favour.
- Corporate guarantee of M/s. Seamec India Limited.

Term loan 2 is secured by the following

- Term loan agreement.
- Letter of instalment with acceleration clause.
- Mortgage of vessel MV Marine Fortune.
- Assignment of freight earnings/charter hire revenue of vessel.
- Pledge over present and future stocks of the Establishment and assignment of present and future receivable of the Establishment.
- Undated security cheque of USD 3.062 million.
- Assignment of insurance policy in bank's favour.

24. NON CURRENT FINANCIAL LIABILITIES

The major components of income tax expense:

	As at March 31, 2020	As at March 31, 2019
Charterer deposit	319.37	81.28
Lease rental liabilities	61.00	-
Other financial liabilities	0.27	4.23
	380.64	85.51

Note: Charterer's deposit is a interest free security deposit received from Charterer as per terms and conditions defined in the Charterers' Deposit Agreement. The deposit shall be repaid falling due on the final repayment date. The deposit can be set off against the purchase price payable by the Charterer in respect of their option to purchase of the vessel as agreed between the Group and the Charterer.



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

25. PROVISIONS - NON CURRENT

	As at March 31, 2020	As at March 31, 2019
Provision for leave benefits	6.32	7.01
	6.32	7.01

26. INCOME TAXES

The major components of income tax expense:

	Year ended March 31, 2020	Year ended March 31, 2019
Current income tax:		
Current Income tax charge	32.58	57.59
Adjustments in respect of current income tax of previous years	3.35	0.09
Deferred Tax:		
Relating to origination and reversal of temporary differences	18.48	(19.20)
Income tax expense reported in the statement of profit or loss	54.41	38.48

Reconciliation of tax expense and the accounting profit multiplied by the domestic tax rate:

	Year ended March 31, 2020	Year ended March 31, 2019
Accounting Profit before tax	1,386.89	804.41
Income from Tonnage business	1,261.12	627.36
Income taxable (Normal business income)	125.77	177.05
Tax rate	25.17%	29.12%
Tax	31.65	51.56
Income taxable (capital gain)	-	21.26
Tax at domestic rate	23.30%	23.30%
Tax	-	4.95
Tonnage income as per sec 115V	3.69	3.72
Tax	0.93	1.08
Adjustments in respect of current income tax of previous years	3.35	0.09
Total tax	35.93	57.68
Deferred tax	18.48	(19.20)
Income tax expense	54.41	38.48

Deferred Tax

	As at March 31, 2020	As at March 31, 2019
Deferred tax relates to the following:		
Fair valuation of investment	23.17	4.69
	23.17	4.69
Total Deferred tax	23.17	4.69

27. CURRENT FINANCIAL LIABILITIES - BORROWINGS

	As at March 31, 2020	As at March 31, 2019
Secured		
Bank overdraft (refer note A below)	81.71	271.88
	81.71	271.88

A) The 'Overdraft against FD' facility is availed with interest of (0.75% - 1.00%) above the interest rate of fixed deposits under lien. The same is secured by fixed deposits with margin as 100%.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

28. TRADE PAYABLES

₹ million

	As at March 31, 2020	As at March 31, 2019
Total Outstanding dues to Micro, Small And Medium Enterprises		
Trade payables to others	12.09	4.25
Trade payables to related parties (refer note 43)	1,491.77	1,228.19
	-	-
	1,503.86	1,232.44

Note A

₹ million

Particulars	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year*		
- Principal amount due to micro and small enterprises	12.09	4.25
- Interest due to Micro, Small And Medium Enterprises	1.04	1.19
- The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	1.05	0.71
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act 2006.	-	-
- The amount of Interest accrued and remaining unpaid at the end of each accounting period.	1.04	1.19
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

* 'Dues to Micro, Small and Medium Enterprises including interest have been determined to the extent such parties have been identified on the basis of information collected by the Management and information collected in this regard. This has been relied upon by the auditors.

29. OTHER CURRENT FINANCIAL LIABILITIES

₹ million

	As at March 31, 2020	As at March 31, 2019
Current maturities of long term debts	140.50	71.15
Employee dues	34.20	39.82
Creditors for capital expenditure	-	9.14
Unpaid dividend	0.46	0.46
Security deposit received	7.13	-
Outstanding expenses	22.93	22.59
Lease rental liabilities	17.50	-
Other current liability	0.00	0.52
	222.72	143.68



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

30. OTHER CURRENT LIABILITIES

	As at March 31, 2020	As at March 31, 2019
Unearned revenue	5.72	3.60
Statutory dues	-	
TDS payable	22.78	19.27
GST payable	24.21	72.57
Other dues	1.02	16.10
	53.73	111.54

31. PROVISIONS

	As at March 31, 2020	As at March 31, 2019
Provision for Employee Benefits		
Provision for leave benefits	5.39	5.25
Provision for gratuity (refer note 52)	1.61	1.39
	7.00	6.64

Movement in provision for leave encashment

	As at March 31, 2020	As at March 31, 2019
Opening balance	12.26	10.49
Addition during the year	1.29	2.42
Utilisation during the year	1.84	0.65
Closing balance	11.71	12.26

32. REVENUE FROM OPERATIONS

	Year ended March 31, 2020	Year ended March 31, 2019
Charter hire income		
Tonnage income	3,226.29	2,664.60
Less: Revenue related to consortium member	(50.26)	(23.77)
Non-Tonnage income	740.19	550.70
Less: Revenue related to consortium member	(116.40)	(81.66)
Other operating revenue	41.22	27.09
	3,841.04	3,136.96

33. OTHER INCOME

	Year ended March 31, 2020	Year ended March 31, 2019
Interest income on		
Bank deposits	90.82	53.36
Income tax refund	2.76	0.74
Interest on Corporate Deposits	1.51	-
Interest on investments	12.66	3.77

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

₹ million

	Year ended March 31, 2020	Year ended March 31, 2019
Liability no longer required written back	14.85	9.77
Exchange fluctuation gain (net)	54.23	52.66
Gain on sale of fixed asset (net)	0.30	-
Provision for doubtful debts written back (refer note 42)	67.91	135.36
Interest income on security deposit as per Ind As	0.96	1.11
Net gain on fair value change on investment	50.92	32.90
Profit on sale of investment	0.28	1.83
Dividend on mutual funds	0.48	1.04
Realised gain on investments	0.38	1.94
Misc incomes	0.75	1.96
	298.81	296.44

34. OPERATING EXPENSES

₹ million

	Year ended March 31, 2020	Year ended March 31, 2019
Victualling and other benefit to crew	99.68	94.40
Sub contractor cost- diving project	821.69	535.32
Stores and spares consumed	162.80	148.13
Fuel expenses	108.97	78.10
Repairs and maintenance - vessels	23.11	17.73
Rates & taxes	1.50	6.40
Commission / Brokerage	4.15	1.04
Customs duty	2.69	0.39
Crew travelling expenditure	18.09	24.45
Insurance charges	17.88	19.75
Port charges	14.71	15.38
Communication charges	29.90	22.39
Consultancy fees	71.43	27.09
Other operating expenses	81.06	106.33
	1,457.66	1,096.90

35. EMPLOYEE BENEFIT EXPENSES

₹ million

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus to crew	566.30	581.93
Salaries, wages and bonus to onshore staff	55.96	54.46
Contribution to provident and other funds	8.04	7.44
Staff welfare expenses	0.84	0.81
	631.14	644.65



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

36. FINANCE COSTS

	Year ended March 31, 2020	Year ended March 31, 2019
Interest charges - bank	40.47	32.86
Interest expenses on lease liability	6.62	-
Interest charges-others	3.57	1.36
	50.66	34.22

₹ million

37. DEPRECIATION AND AMORTIZATION EXPENSE

	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation of tangible assets	525.31	517.87
Depreciation of asset - right of use	19.74	-
Amortization of intangible assets	0.99	1.24
	546.04	519.11

₹ million

38. OTHER EXPENSES

	Year ended March 31, 2020	Year ended March 31, 2019
Directors sitting fees	1.15	1.76
Director incidental expenses	0.18	0.29
CSR expenses	0.35	-
Travelling and conveyance	9.73	6.56
Repairs and maintenance -others	1.04	1.59
Loss on sale / discard of fixed asset (net)	0.08	1.07
Rent	3.79	25.28
Payment to auditors (excluding GST)		
- As auditor	2.95	2.01
- For other services	0.88	0.80
- For reimbursement of expenses	0.08	0.12
Legal & professional fees	18.62	50.12
Bad debts	4.67	-
Provision for doubtful debts (expected credit loss) (refer note 42)	2.68	166.96
Bank charges	6.47	6.24
Office expenses	3.78	4.42
Electricity expenses	1.64	1.82
Printing & stationery	2.23	3.17
Miscellaneous expenses	7.12	9.30
	67.44	281.51

₹ million

39. COMPONENTS OF OTHER COMPREHENSIVE INCOME

	Year ended March 31, 2020	Year ended March 31, 2019
Re-measurement gains / (losses) on defined benefit plans as per Ind AS 19	(0.82)	(0.61)
Foreign exchange difference on translation of foreign operations	(17.45)	46.85
	(18.27)	46.24

₹ million

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

40. CONTINGENT LIABILITIES

₹ million

	As at March 31, 2020	As at March 31, 2019
Claim against the Company not acknowledge as debts		
FERA Matter (refer note a below)	100	100
Service tax / GST payable as per order of Commissioner of GST & Central Excise (refer note b below)	87	179
Claim by Vendor (refer note c below)	9	9
Custom Duty payable as per order from Commissioner of Customs (Import) (refer note c below)	Not ascertainable	Not ascertainable

- a The case against the Group alleging violation of Foreign Exchange Regulation Act 1973 (FERA), related to acquisition of Land drilling Rig, is pending before the Hon'ble Mumbai High Court. The Company has furnished a Bank Guarantee of ₹ 100 million to the Enforcement Directorate, FERA, towards penalty imposed, as directed by the Hon'ble Mumbai High Court. The bank guarantee is valid till December 31, 2020. No provision is considered necessary in respect of the said penalty as the management believes, based on legal opinion, that there has been no contravention to FERA.
- b During FY 2018-19 the company has received assessment order from the Office of the Commissioner of GST & Central Excise regarding service tax payable amounting to ₹ 64.95 million (including penalty of ₹ 5.92 million) for FY2014-15 to FY 2015-16 towards liability of service tax on free supply of fuel by client. Against the above order the company has filed appeal before Hon'ble CESTAT. During FY 2019-20 company has received show cause notice cum demand notice for ₹ 22.53 million for FY 2016-17 and Q1 FY 17-18 towards liability service tax on free supply of fuel by client. No provision is considered necessary in respect of the said demand based on opinion received from its Counsel.
- c "Against the Directorate of Revenue Intelligence (DRI) Show Cause Notice in July – August 2012, the adjudication proceedings was conducted by Commissioner of Customs (Import) who vide order dated March 28, 2013 imposed duty ₹ 350 million, penalty for equivalent amount, interest and confiscation and made appropriation of ₹ 126 million paid in 2011 under protest. Accordingly, Company disclosed the contingent liability of ₹ 1197 million.

Against the above adjudication order, the Company filed before Hon'ble CESTAT for stay of the order as well as appeal. Stay was granted while appeal was disposed off vide order of Hon'ble CESTAT dated 6th December, 2017.

Being aggrieved, Company as a legal recourse, had filed Rectification of Mistake (ROM) before designated forum of CESTAT. The Hon'ble CESTAT vide order dated February 27, 2018 remanded the matter to the original authority, set aside the demand, duty, penalty and confiscation with a specific direction of commencement of adjudication subject to settlement of jurisdiction issue by the Hon'ble Supreme Court.

During FY 2018-19 Commissioner of Customs (Import) has filed appeal before Hon'ble Bombay High Court against the order dated February 27, 2018 ROM application which has been admitted however no stay has been granted. At present no demand exists with regard to aforesaid matter and such contingent liability can not be quantified due to open remand."

Notes:

- (a) The Group does not expect any reimbursement in respect of the above contingent liabilities.
- (b) It is not practicable to estimate the timing of cash flows, if any, in respect of matters at (a) to (c) above, pending resolution of the proceedings.

41. COMMITMENTS

a Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 24.18 million (31.03.2019 : ₹ NIL million).



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

42. TRADE RECEIVABLES AS DISCLOSED IN NOTES 8 & 15, ARE NET OF PROVISIONS FOR:

- Trade Receivables from Swiber Offshore Constructions Pte Ltd, Singapore (SOC) and Swiber Offshore India Private Ltd. (SOI) is ₹ 1134.70 million. These outstanding arising out of the services rendered by the Company to above Swiber entities towards the contract awarded by ONGC to Swiber. SOC as per the Hon'ble High Court, Singapore is under the Judicial Management. The Company initially initiated legal recourse against SOI in Hon'ble Bombay High Court under the terms of the Contract. The matter before Singapore is pending. In India the legal recourse has been kept in abeyance as SOI has no visible Assets. ONGC, The principal Contractor had suspended the Contract of Swiber and stepped into contractual commitment of Swiber for completion of balance work. The Company along with large number of affected Vendors are pursuing with ONGC for recovery of outstanding. The necessary provisions have already been made in the accounts to the above receivables.
- During the year the company has received ₹ 33.12 million towards final instalment of settlement agreement entered with Sea Horse General Contracting Establishment, UAE, relating to charter hire for a vessel for ₹ 206.36 million during FY 2017-18 and accordingly provision has been written back to that extent.
- ₹ 37.42 million (Previous year ₹ 37.42 million) receivable from Synergy Subsea Engineering LLC, UAE ('Synergy') relating to charter hire for a vessel. During the year 2017-18, the Company has entered into settlement agreement with the M/s Synergy Sub Sea Engineering LLC Dubai for realization of outstanding dues. The necessary provisions have already been made in the accounts to the above receivables.
- ₹ 133.97 million (Previous year ₹ 187.64 million) receivable from Sanat Gostar Kish Co. (Sanat) relating to charter hire for a vessel. During the year 2017-18, the Company has entered into settlement agreement with Holding company of Sanat for realization of outstanding dues. Pending recovery against the settlement, necessary provisions amounting to ₹ 59.22 million (net of dues payable) against the said contract has been made.
- During the previous year the Company has made provision towards receivable from IGOPL Offshore Private Limited (IGOPL) relating to charter hire for a vessel amounting to ₹ 107.75 million (net of payable to IGOPL ₹ 9.27 million). During the year, the Company has received ₹ 31 million from said customer and accordingly provision has been written back to that extent.

The change in allowance for uncollectible trade receivables is as follows

	₹ million					
Allowance for doubtful debts	Beginning Balance	Additional allowance for the year	Recoveries	Uncollectible receivables written off	Allowance written back	Closing Balance
Year ended March 31, 2020	1,622.70	2.68	67.91	4.67	67.91	1,557.47
Year ended March 31, 2019	1,591.10	166.96	135.36	-	135.36	1,622.70

43. SEGMENT INFORMATION

For management purposes, the group is organised into business units based on its services and has two reportable segments i.e. Domestic and Overseas.

The chief operational decision maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The Operating segments have been identified based on geographical location of the vessel. The operating segments have been disclosed based on revenues within India and outside India.

	₹ million					
Particulars	Year ended March 31, 2020			Year ended March 31, 2019		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Revenue						
Revenue from operations	3,454.30	386.74	3,841.04	2,877.11	259.85	3,136.96
Segment Profit / (Loss)	1,086.63	117.15	1,203.78	738.26	53.16	791.42

* Assets used in the Group's business or liabilities contracted have not been identified to any segment, as the assets and services are used interchangeably between segments. Accordingly, no disclosure relating to segment assets are made.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Reconciliations to amounts reflected in the financials statements

Particulars	₹ million	
	Year ended March 31, 2020	Year ended March 31, 2019
Segment profit	1,203.78	791.42
Financial cost	(50.66)	(34.22)
Other un-allocable income	233.77	99.81
(Loss) / Profit before tax	1,386.89	857.01

Revenue from Major Customers

Particulars	₹ million					
	Year ended March 31, 2020			Year ended March 31, 2019		
	Domestic	Overseas	%	Domestic	Overseas	%
Customer A	2,131.90	-	55.50%	1,561.37	-	49.77%
Customer B	610.86	-	15.90%	747.53	-	23.83%
Customer C	563.43	-	14.68%	-	-	-
Others	148.10	386.75	13.92%	568.20	259.86	26.40%
Total	3,454.29	386.75	100.00%	2,877.10	259.86	100.00%

44. RELATED PARTIES DISCLOSURE

I Names of Related Party & related party relationship

i Related parties where control exist

Holding Company	HAL Offshore Limited
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ii Related parties with whom transactions have been taken place

Chairman	Mr. Sanjeev Agrawal
Relative of Chairman	Mrs. Deepti Agrawal
Chief Financial Officer & President	Mr. V.K Gupta (up to 30.06.2019)
Chief Financial Officer	Mr. Vinay Kumar Agarwal (from 09.08.2019)
Company Secretary & President	Mr. S.N. Mohanty
Corporate Affairs & Legal	
Director	Mr. Surinder Singh Kohli
	Mr. Deepak Shetty
	Mrs. Seema Jayesh Modi

II Refer Annexure A for Related Party Transactions taken place during the year

45. EARNING PER SHARE

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	₹ million	
	Year ended March 31, 2020	Year ended March 31, 2019
Profit after tax	1,332.48	818.54
Net profit for calculation of basic and diluted EPS	1,332.48	818.54
Weighted average number of equity shares outstanding (Nos.)	25.43	25.43
Basic & Diluted Earnings Per Share (FV ₹10/- each)	52.41	32.19



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

46. REVENUE FROM CONTRACT WITH CUSTOMERS (IND AS 115)

The revenue from contracts with customers to the amounts disclosed as total revenue is as under :

Particulars	₹ million	
	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from contract with customer	3,799.82	3,109.87
Other operating revenue	41.22	27.09
Total Revenue	3,841.04	3,136.96

The disaggregation of revenue from contracts with customers is as under :

(A) Segment Wise

Particulars	₹ million	
	Year ended March 31, 2020	Year ended March 31, 2019
Multi support vessels	3,420.03	2,852.77
Bulk carrier	379.79	257.10
Total	3,799.82	3,109.87

(B) On the basis of Geographical Location

Particulars	₹ million			
	Year ended March 31, 2020		Year ended March 31, 2019	
	India	Overseas	India	Overseas
Multi support vessels (Over time)	3,420.03	-	2,852.77	-
Bulk carrier (Over time)	-	379.79	-	257.10
Total	3,420.03	379.79	2,852.77	257.10

The contract assets & liability from contract with customers is as under

(A) Contract Assets

	₹ million	
	As at March 31, 2020	As at March 31, 2019
Opening balance of contract assets	1.02	12.28
Previous year – Contract asset – Reclassified to trade receivable on invoicing	1.02	12.28
Current year – Contract asset	17.84	1.02
Closing balance of contract assets	17.84	1.02

(B) Contract Liability

	₹ million	
	As at March 31, 2020	As at March 31, 2019
Opening balance of contract liability	3.60	4.48
Previous year – Contract liability – Revenue recognised during the year	3.60	4.48
Current year – Contract liability carried forward	5.72	3.60
Closing balance of contract liability	5.72	3.60

The nature of services and its disclosure of timing of satisfaction of performance obligation mentioned in Note No. 3.

Contract assets in the balance sheet constitutes unbilled accounts to customers representing the group's right to consideration for the services transferred to date. Any amount previously recognised as contract assets is reclassified to trade receivable at the time it is invoiced to the customer.

Contract liabilities in the balance sheet constitutes advance payments and billings in excess of revenue recognised, the group expects to recognise such revenue in the next financial year.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

There were no significant change in contract assets and contract liability during the reporting period except amount as mentioned in the table and the explanation given above.

Under the payment terms generally applicable to company's revenue generating activities, prepayments are received only to a limited extent. Typically, payment is due upon or after completion of the services.

47. CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE AS PER SECTION 135 OF THE COMPANIES ACT, 2013

Particulars	₹ million	
	Year ended March 31, 2020	Year ended March 31, 2019
Gross amount required to be spent by the group during the year	-	-

Amount spent during the year ending on March 31, 2020:

Particulars	In Cash	Yet to be Paid	Total
Construction / acquisition of asset	-	-	-
On purpose other than above	0.35	-	0.35

Amount spent during the year ending on March 31, 2019:

Particulars	In Cash	Yet to be Paid	Total
Construction / acquisition of asset	-	-	-
On purpose other than above	-	-	-

48. INFORMATION REQUIRED FOR CONSOLIDATED FINANCIAL STATEMENT PURSUANT TO SCHEDULE III OF THE COMPANIES ACT 2013

Name of the entity in the group	₹ million							
	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Parent								
Seamec Limited								
Balance as at 31 March, 2020	85.08%	4,774.13	97.65%	1,301.19	100.00%	(18.27)	97.62%	1,282.92
Balance as at 31 March, 2019	80.83%	3,473.07	93.72%	767.13	100.00%	46.24	94.06%	813.37
Subsidiaries								
Seamec International FZE								
Balance as at 31 March, 2020	14.92%	837.05	2.35%	31.29	0.00%	-	2.38%	31.29
Balance as at 31 March, 2019	19.17%	823.93	6.28%	51.41	0.00%	-	5.94%	51.41
Total								
Balance as at 31 March, 2020	100%	5,611.18	100%	1,332.48	100%	(18.27)	100%	1,314.21
Balance as at 31 March, 2019	100%	4,296.97	100%	818.54	100%	46.24	100%	864.78



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

49. UN-HEDGED FOREIGN CURRENCY EXPOSURE AS AT BALANCE SHEET DATE

₹ million

Particulars	Currency	Year ended March 31, 2020		Year ended March 31, 2019	
		Amount in foreign currency	Amount in INR	Amount in foreign currency	Amount in INR
Trade payables	EURO	0.28	23.35	0.43	33.87
	GBP	(0.01)	(0.93)	0.01	0.65
	NOK	0.06	0.40	0.04	0.35
	SGD	0.02	0.87	0.01	0.67
	CAD	-	-	0.01	0.57
	AED	0.02	0.34	-	-
	USD	15.64	1,189.63	12.93	899.09
	JPY	-	-	1.16	0.73
	Total		1213.66	Total	935.93
Trade receivables	USD	25.92	1,933.90	27.55	1,894.63
Unbilled revenue	USD	0.24	17.84	0.01	1.02
Unearned revenue	USD	0.01	0.67	-	-
Bank balances	USD	2.81	209.73	0.24	16.67

50. LEASES

Operating Lease Commitments:

Office premises are obtained on operating lease / leave and license. The lease term is for the period of 1 to 9 years and renewable at the option of the Group. There are no restrictions imposed by lease arrangements. The total lease term is for a period of 108 months out of which there is a lock-in period of initial 60 months.

Lease liability maturity plan:

₹ million

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
i. Payable not later than one year	17.50	12.91
ii. Payable later than one year but not later than five years	61.00	-
iii. Payable later than five years	-	-
Lease payment recognized in the statement of profit & Loss	-	24.11

The lease fees shall be increased by 15% over the last monthly lease fee paid after completion of every 36 months from the rent commencement date of the lease deed agreement.

51. FINANCIAL INSTRUMENTS

Fair value measurement

₹ million

Particulars	As at March 31, 2020			As at March 31, 2019		
	FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost
Investments						
Mutual funds	1,744.65	-	-	1,711.10	-	-
Fixed deposit of corporates			41.00			-
Trade receivables	-	-	1,555.66	-	-	1,633.67
Cash and cash equivalents	-	-	280.32	-	-	19.96

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

₹ million

Particulars	As at March 31, 2020			As at March 31, 2019		
	FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost
Bank balances other than cash and cash equivalents	-	-	1,917.58	-	-	1,074.65
Deposits	-	-	15.04	-	-	17.41
Interest receivable	-	-	62.44	-	-	27.75
Other receivables	-	-	19.86	-	-	3.23
Total financial assets	1,744.65	-	3,891.90	1,711.10	-	2,776.67
Financial liabilities						
Borrowings	-	-	585.62	-	-	651.33
Trade payables	-	-	1,503.86	-	-	1,232.45
Other financial liabilities	-	-	603.36	-	-	229.18
Total financial liabilities	-	-	2,692.84	-	-	2,112.96

The management assessed that the fair value of trade receivables, cash and cash equivalents, other Bank Balance, Other financial assets, Trade payables, Borrowings and other financial liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the company's assets.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020, March 31, 2019:

₹ million

	Date of Valuation	Fair value measurement using			
		Total	Quoted price in Active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value					
Investment in mutual fund	31-Mar-20	1744.65	1744.65	-	-
Investment in mutual fund	31-Mar-19	1711.10	1711.10	-	-

There have been no transfers between Level 1 and Level 2 during the year.

52. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS.

1 Defined Contribution Plans :

Amount of ₹ 7.16 million (31.03.2019 : ₹ 6.79 million) is recognized as an expense and included in Employee Benefit Expense (refer note 35) in statement of profit and Loss, which includes provident fund and super annuation fund.

2 Defined Benefit Plans :

The Group has a defined benefit gratuity plan. Every employee (other than crew who have covered under separate scheme) who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Group in the form of a qualifying insurance policy.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Each year, the Board of Trustees reviews the level of funding in the India gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. The Board of Trustees decides its contribution based on the results of this annual review.

The Obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation."

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and other comprehensive income the funded status and amounts recognized in the balance sheet for the respective plans.

Statement of Profit and Loss

Net employee benefit expense (recognized in contribution to provident, gratuity fund and other funds)

₹ million

Particulars	Gratuity	
	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	0.80	0.59
Net Interest cost as per note below	0.04	0.07
Past service cost	-	-
Expenses recognized	0.84	0.66

Net Interest cost for the year

₹ million

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest cost	0.68	0.63
(Interest income)	(0.64)	(0.56)
Net Interest cost for period	0.04	0.07

Remeasurement gains/Losses in Other Comprehensive Income:

₹ million

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Actuarial changes arising from changes in demographic assumptions	-	0.04
Actuarial changes arising from changes in financials assumptions	0.30	0.53
Experience adjustments	0.56	0.02
Return on plan assets excluding interest income	(0.04)	0.02
Net(income) / expense recognized for the period in other comprehensive income	0.82	0.61

Balance sheet

Details of Provision for gratuity

₹ million

Particulars	As at March 31, 2020	As at March 31, 2019
Defined benefit obligation	12.39	10.56
Fair value of plan assets	10.80	9.16
	(1.61)	(1.40)
Less: Unrecognized past service cost	-	-
Plan asset / (liability)	(1.61)	(1.40)

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Changes in the present value of the defined benefit obligation are as follows:

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligation	10.56	8.76
Interest cost	0.68	0.63
Current service cost	0.80	0.59
past Service cost	-	-
Benefits paid	(0.58)	-
Remeasurement (gains) / losses on obligation-Due to changes in demographic assumptions	-	0.04
Remeasurement (gains) / losses on obligation- Due to change in Financial assumptions.	0.31	0.52
Remeasurement (gains) / losses on obligation-Due to experience.	0.63	0.02
Closing defined benefit obligation	12.39	10.56

Changes in the fair value of plan assets are as follows:

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Opening fair value of plan assets	9.16	7.10
Interest income	0.64	0.54
Contributions by employer	1.54	1.54
Benefits paid	(0.58)	-
Return on plan assets excluding interest income	0.04	(0.02)
Closing fair value of plan assets	10.80	9.16

The Group expects to contribute ₹ 0.2 million (31.03.2019 : ₹ 0.2 million) to gratuity in F.Y.20-21.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As at	
	March 31, 2020	March 31, 2019
Investments with insurer	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	As at	
	March 31, 2020	March 31, 2019
Discount rate	5.76%	7.07%
Salary escalation	8.00%	8.00%
Attrition rate	15.00%	15.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

A quantitative sensitivity analysis for significant assumptions as at March 31, 2020 is as shown below:

Sensitivity Analysis

Particulars	₹ million	
	As at March 31, 2020	As at March 31, 2019
Projected benefit obligation on current assumptions	12.39	10.56
Delta effect of +1% change in rate of discounting	(0.24)	(0.21)
Delta effect of -1% change in rate of discounting	0.25	0.23
Delta effect of +1% change in rate of salary increase	0.25	0.22
Delta effect of -1% change in rate of salary increase	(0.23)	(0.21)
Delta effect of +1% change in rate of employee turnover	(0.04)	0.02
Delta effect of -1% change in rate of employee turnover	0.04	(0.02)

53. FINANCIAL RISK MANAGEMENT- OBJECTIVES AND POLICIES

The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The management assures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below:

a Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings.

The below assumption has been made in calculating the sensitivity analysis:

- (1) The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of financial instrument will fluctuate due to change in market interest rates. The group is not exposed to any significant interest rate risk as at the respective reporting dates.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The group's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities (when revenue or expense is denominated in a foreign currency). Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the company's functional currency. The group's foreign currency transactions are mainly in United State Dollars (USD).

The Company manages its foreign currency risk by natural hedging.

The following tables demonstrate the sensitivity to a reasonably possible change in USD and other exchange rates, with all other variables held constant. The impact on the group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Particulars	₹ million	
	Change in Currency rate	Effect on Profit Before Tax
USD	1%	9.73
Other currency	1%	(0.24)
USD	-1%	(9.73)
Other currency	-1%	0.24

b Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities primarily trade receivables and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade Receivables:

Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Financial Instruments and cash deposits

Credit risk from balances with banks is managed by the group's senior management. The group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020, March 31, 2019 is the carrying amounts as illustrated in respective notes.

c Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from inability to sell a financial asset quickly at close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available to meet any future commitments.

The table below summarizes the maturity profile of the group's financial liabilities based on contractual undiscounted payments.

Particulars	₹ million					Total
	On Demand	Not yet Due	Less than 3 Months	3 to 12 Months	> 1 Year	
(a) Borrowings	-	-	-	81.71	503.91	585.62
(b) Trade payables	1,217.26	286.61	-	-	-	1,503.86
(c) Other financial liabilities	222.72	-	-	-	380.64	603.36

54. CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the group. The primary objective of the group's capital management is to maximize the shareholder value.

The group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The group monitors capital using debt equity ratio. The debt equity ratio as on March 31, 2020 is 1% (March 31, 2019: 1%). In the opinion of the board, the current assets, loan and advances are approximately of the value stated, if realized in the ordinary course of the business.

Dividend not recognised at the end of reporting period: The Board of Directors in their meeting on June 20, 2020, recommended a dividend of ₹1 per equity share for the financial year ended March 31, 2020.



Notes to Consolidated Financial Statements

for the year ended March 31, 2020

55. SUBSEQUENT EVENT

The Board of Directors in their meeting on June 20, 2020, recommended a dividend of ₹ 1 per equity share for the financial year ended March 31, 2020.

56. For the financial year ended March 31 2020 the impact of pandemic COVID 19 on Group's operations and financials remained insignificant. The group is predominantly engaged in exempted categories of services, i.e. service provider to Essential Service Sector. Moving forward, majority of the group's assets are poised to be employed and thus prima facie the group reasonably estimates no adverse substantive impact on its business, operations, financials, cash flow, liquidity or ability to service its financial obligations. However, the full extent to which the pandemic will impact the future financial results of the group will depend on upcoming developments, which are highly uncertain including any new information concerning the severity of the pandemic. Management will continue to monitor any material changes to future economic conditions and the impact thereof on the Company, if any.

57. PREVIOUS YEAR FIGURES

Previous year figures have regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For **T R Chadha & CO LLP**

Chartered Accountants

Firm registration No. 006711N/N500028

Vikas Kumar

Partner

Membership No: 075363

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

Sanjeev Agrawal

Chairman

(DIN 00282059)

Vinay Kumar Agarwal

Chief Financial Officer

Deepak Shetty

Director

(DIN 07089315)

S N Mohanty

President -Corporate Affairs, Legal
& Company Secretary

Place: Mumbai

Date: June 20, 2020

Place: Mumbai

Date: June 20, 2020

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

ANNEXURE- A

Related Parties with whom transactions have taken place during the year ended March 31, 2020

₹ million

Particulars Relationship	HAL Offshore Limited Holding Company		Relatives of Key management Personnel		Key Management Personnel	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Transaction during the Year						
Income from operations	563.06	747.37	-	-	-	-
Rent Expenses	-	-	24.78	23.64	-	-
Expenses	22.30	-	-	-	0.18	0.29
Salaries & Allowances	-	-	-	-	13.17	13.24
Directors sitting Fees	-	-	-	-	1.15	1.76
Year end balance	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Security Deposit given	-	-	12.98	15.94	-	-
Advance Rent (debit)	-	-	3.99	0.46	-	-
Balance receivable	114.16	429.50	-	-	-	-

- 1 Provision for contribution to gratuity fund, leave encashment on retirement and other defined benefits which are made based on actuarial valuation on an overall Company basis are not included in remuneration to key management personnel.
- 2 Related party relationship is as identified by the company and relied upon by auditor.
- 3 The figures on income and expenses are net of taxes.

Terms and Conditions of transaction with Related parties

Outstanding balances at the period-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2020, the company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2019: INR Nil.). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



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