



गार्डेन रीच शिपबिल्डर्स एंड इंजीनियर्स लिमिटेड Garden Reach Shipbuilders & Engineers Ltd.

(भारत सरकार का उपक्रम, रक्षा मंत्रालय)
(A Government of India Undertaking, Ministry of Defence)
CIN NO.: L35111WB1934GOI007891

SECY/GRSE/BD-69/CA/33/25-26

26 Aug 2025

To,

National Stock Exchange of India Limited

Exchange Plaza

Bandra Kurla Complex, Bandra (E),

Mumbai – 400 051

Symbol: GRSE

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai – 400 001

Scrip Code: 542011

Sub: Annual Report 2025-26 of Garden Reach Shipbuilders & Engineers Limited

Dear Sir / Madam,

1. This is to inform that the 109th Annual General Meeting ('AGM') of the Company will be held on **Friday, 19th September, 2025 at 1030 hours** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the business as set out in the AGM Notice dated 08th August, 2025 in accordance with the applicable circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India. The deemed venue for the 109th AGM shall be the Registered & Corporate Office of the Company at GRSE Bhavan, 61, Garden Reach Road, Kolkata - 700 024.
2. Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the **Annual Report 2024-25 of the Company** along with the Notice of 109th AGM which is being sent through electronic mode to the Members of the Company.
3. The Annual Report 2024-25 along with the Notice of the 109th AGM is also uploaded on the Company's website at www.grse.in.
4. This is for your information and record.

Thanking You,

Yours faithfully,

For **Garden Reach Shipbuilders & Engineers Limited**

Sandeep Mahapatra

Company Secretary and Compliance Officer

ICSI Membership No. ACS 10992

Encl: Annual Report 2024-25



Infinite Passion *Meets* Unwavering Commitment

Annual Report 2024-25



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GARDEN REACH SHIPBUILDERS & ENGINEERS LIMITED

Papers to be laid on the table of Lok Sabha / Rajya Sabha

Authenticated

Raksha Rajya Mantri

Message from CMD

DEAR SHAREHOLDERS,

At the outset, I extend a warm welcome to each one of you to this Annual General Meeting. It is with a sense of immense pride, that I present the Annual Report of your Company for the Financial Year 2024–25.

While your company, over the last six and a half decades, has strived to serve the Indian defence sector, combining shipbuilding and engineering excellence with National duty, the year under review has been transformative in many ways. FY 25 saw macroeconomic pressures, geopolitical tensions and unpredictability and yet we will remember this as a year of historic milestones.


Supported by a clear strategy and a shared commitment across the organisation, the year marked a period during which many of our long-term efforts began to translate into measurable outcomes. Your company was conferred with the prestigious “Schedule-A” status, an apt recognition of our resilience, sustained performance and operational excellence; reinforcing our position as a leading shipbuilder and a strategic National asset.

Supported by a strong order book, a dynamic pipeline of emerging opportunities and a purpose-driven commitment to sustainable infrastructure and development, your Company is strategically positioned to progress exponentially in an increasingly dynamic global environment.


ROBUST FINANCIAL PERFORMANCE

Despite unexpected challenges that tested our resilience and adaptability, I'm proud to announce that your company has delivered a standout financial performance during FY 25. For the first time in its history, the Company

surpassed the ₹5,000 crore milestone, recording a total revenue of ₹5,075 crore from operations, a 41% increase over the previous year. Profit before tax rose to ₹703 crore, while profit after tax stood at ₹527 crore,



The year gone by is a clear reflection of the steady & methodical evolution of GRSE into an organisation with growing design capability, delivery discipline and multi-domain execution strength. We have accelerated digital adoption across business verticals, strengthened project execution capabilities and enhanced customer value through smarter & more sustainable solutions.



marking a year-on-year increase of 46% and 48% respectively. Earnings per share improved to ₹46.04 and the operational profit has moved up from ₹181 crore to ₹368 crore, registering a growth of 103%. These results were attained through meticulous planning, effective procurement strategy and increased operational efficiency across critical projects.

The Company's market capitalisation also saw notable growth, crossing ₹33,000 crore during the year. We have proposed a total dividend pay-out of ₹158.65 crore, comprising an interim and a final dividend, reinforcing our approach of maintaining a balance between shareholders' returns and reinvestment for future growth.

OPERATIONAL HIGHLIGHTS

Our financial performance was driven by aligning our portfolio with our customer needs and improving operational performance leading to achievement of key deliverable milestones across a range of projects. Our shipbuilding milestones during the year reflect our continued focus on meeting our contractual commitments to our customers. During the year, we delivered INS Nirdeshak, the 2nd Survey Vessel (Large) to the Indian Navy, 'Jaldoot' an unmanned surface vessel to DRDO and 'Dheu', a fully electric passenger ferry to the Government of West Bengal. The delivery of these high-tech platforms reflects the growing diversity of our portfolio, ranging from frontline warships to sustainable and autonomous marine platforms. In addition, we have also delivered the 1st Anti-Submarine Warfare Shallow Water Craft (ASW SWC) and the 1st P17A Frigate, both milestone achievements.

We are currently building 14 warships for the Indian Navy including two P17A Frigates and seven ASW-SWCs, one Survey Vessel Large

(SVLs) and four New Generation Offshore Patrol Vessels (NGOPVs). The 2nd of the P17A ships is nearly 80% complete and slated for delivery in FY 26, ahead of its contractual schedule. The third P17A has also reached nearly 60% progress and is due for delivery during FY 27. The last two ships of SVL project are in advanced stages of construction and are scheduled to be delivered during FY 26. Keels of all four NGOPVs have also been laid and this project is progressing satisfactorily. With sustained focus and thrust towards meeting timelines, we look forward to a series of deliveries during FY 26 and FY 27.

Leveraging the expertise gained in design and construction of green energy vessels, your company has secured orders for construction of 13 hybrid ferries for the Government of West Bengal at a total value of ₹226.18 crore. Similarly, with an established niche capability in building research and survey vessels, we have secured an ₹840 crore order from the National Centre for Polar and Ocean Research (NCPOR) for the construction of an Ocean Research Vessel, a ₹490.98 crore order from Naval Physiological and Oceanographic Laboratory (NPOL) for construction of an Acoustic Research Ship and a ₹490 crore order for construction of two Coastal Research Vessels from the Geological Survey of India (GSI).

I am also delighted to inform you that, we received orders for construction of eight 7500 DWT Multi-Purpose Vessels (MPVs) from a German Client at total order value of USD 108 million. This major breakthrough gives your company a foothold in the highly competitive European short sea shipping market and is testimony to the growing stature of GRSE as a high quality shipbuilder.

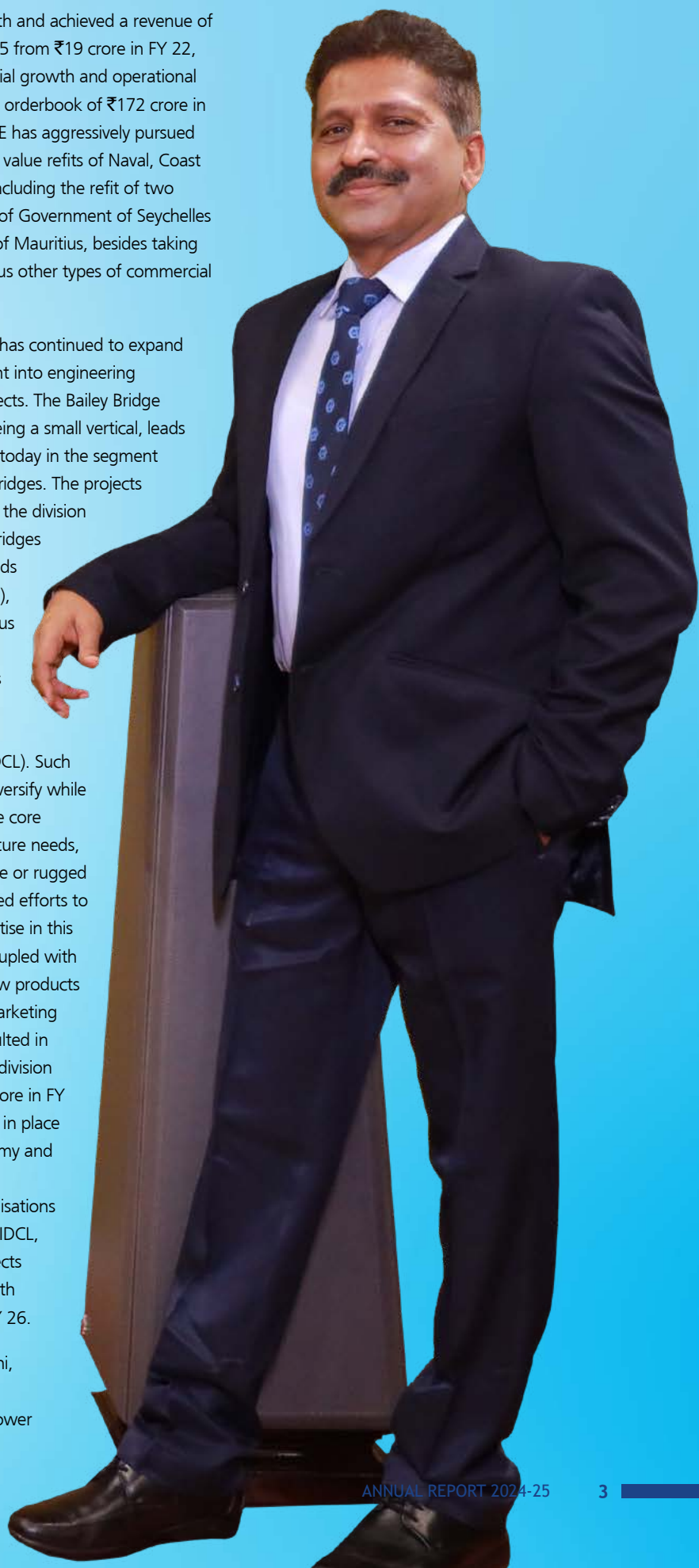
I am also happy to state that your company has been declared the successful bidder in the prestigious New Generation Corvette (NGC) project for the Indian Navy, wherein five such ships will be constructed by GRSE.

Taking over of three dry-docks on a strategic lease from Syama Prasad Mookerjee Port, Kolkata, over three years ago has propelled your company's growth in the ship repair sector. Since then, this vertical has moved from

strength to strength and achieved a revenue of ₹114 crore in FY 25 from ₹19 crore in FY 22, reflecting substantial growth and operational efficiency. With an orderbook of ₹172 crore in this segment, GRSE has aggressively pursued and obtained high value refits of Naval, Coast Guard platforms including the refit of two GRSE built vessels of Government of Seychelles and Government of Mauritius, besides taking on repairs of various other types of commercial vessels.

Meanwhile, GRSE has continued to expand its delivery footprint into engineering infrastructure projects. The Bailey Bridge division, despite being a small vertical, leads the Indian market today in the segment of portable steel bridges. The projects being executed by the division include modular bridges for the Border Roads Organisation (BRO), Indian Army, various state PWDs and National Highways & Infrastructure Development Corporation (NHIDCL). Such projects help us diversify while continuing to serve core national infrastructure needs, especially in remote or rugged terrains. Determined efforts to leverage the expertise in this niche segment, coupled with introduction of new products and a proactive marketing strategy, have resulted in revenue from this division surging to ₹145 crore in FY 25. Further, MoUs in place with the Indian Army and other key national organisations such as BRO & NHIDCL, have raised prospects of additional growth opportunities in FY 26.

At DEP Unit, Ranchi, a new test bed for undertaking full power



Message from CMD cont.

trials of marine diesel engines has been commissioned during the FY 25. The test bed is provisioned with an indigenously built Dynamometer of 6.7 MW rated capacity and with this, full power trials of two diesel engines can now be concurrently undertaken.

INNOVATION AND INDIGENISATION - OUR FOCUS AREAS

Innovation and adoption of new technologies remain central to GRSE's operating philosophy. Continuing on this path, we have entered into MoUs with M/s Apollo Micro Systems and M/s Merlin Hawk Aerospace to co-develop various Naval systems. We have also signed a MoU with M/s Medha Servo Systems for joint production of advanced electrical and electronic systems for Naval and commercial platforms. Our effort towards indigenous development of 30 mm Naval Surface Gun with technology partners have borne fruit with the successful completion of Sea Acceptance Trials, a significant step towards deployment of this sophisticated weapon system onboard Naval ships. Our Surface and Underwater Autonomous Platforms "Swadheen" and "Neerakshi V2" have now been upgraded with more advanced capabilities which have been successfully demonstrated to various services. Leveraging these capabilities, we are working with technology partners towards development of ASV-MCM Make II project and XLAUV Make I project for the Indian Navy. Adoption of AI in various aspects of the shipyard's functions has continued to gather pace with a total of six AI projects completed and three under development. Following the successful launch of GRSE Accelerated Innovation Nurturing Scheme (GAINS) last year, the second edition, "GAINS 24" was launched in Jul 24. This supremely successful initiative to nurture innovation has seen four projects being funded covering areas including AI, Robotics and Green Energy generation. GRSE's efforts

in digital transformation received national level recognition with the "Digital Transformation Excellence" award in May 25. The success of first two editions of GAINS has motivated us and we have also rolled out the 3rd edition, GAINS 25.

SCALING UP - INFRASTRUCTURE AND COLLABORATIONS

Further, our agreements with private shipyards, both on the Western and Eastern seaboard allow for future commercial shipbuilding collaboration.

Meanwhile, we are in active discussions with various State Governments to explore the creation of a greenfield shipyard as part of India's proposed maritime cluster development strategy.

Towards further strengthening our expertise in design and construction of Polar Research Vessels and other specialised vessels such as expedition cruise ships, we have entered into MoUs with Norwegian, Swedish and Danish partners.

INVESTING IN PEOPLE AND CREATING AN INCLUSIVE WORKPLACE

GRSE's business operations remain people-centric, and investing in our workforce continues to be core to the company's success. We are taking new and innovative approaches to develop our existing talent pool and incentivise employees so they better connect to the company's mission. Over the past year, we have increased investment in employee upskilling, health, and leadership development. Structured training, performance recognition and well-defined career pathways are helping us shape a future-ready workforce. We have also made significant progress in the inclusion of women in technical and managerial roles, and are creating opportunities for individuals



To support project scale and delivery cycles, we have expanded our concurrent shipbuilding capacity from 20 to 28 ships. This has been achieved through the modernisation of our existing facilities and the long-term leasing of additional dry docks at Syama Prasad Mookerjee Port, Kolkata.



from under-represented backgrounds. Our people-first approach, which ensures safety and equitable treatment extends to our contractual workforce as well.

We remain focused on building an organisational culture that encourages initiative, supports learning, and values mutual respect.

ENSURING GOVERNANCE, SUSTAINABILITY AND COMMUNITY ENGAGEMENT

GRSE's growth continues to be aligned with principles of sustainability and good governance. We have set ambitious sustainability targets, demonstrating our commitment to continuous improvement. During the year, we have installed 300 kWp rooftop solar plant at our RBD unit, bringing our total installed solar capacity to 2,250 kWp, enough to meet over half of our licensed electrical load. Other ongoing measures include waste management, energy-efficient lighting and water conservation.

At the core of our organisation lie the principles of integrity, respect, responsibility, safety, performance and engagement which collectively guide our actions and decisions, ensuring adherence to the highest standards of professional and ethical conduct. Our commitment to responsible growth extends beyond our operations to the community as well. Our outreach programmes in health, education, and sanitation benefited several neighbourhoods around our areas of operations. These initiatives are integral to our ESG framework and I remain personally committed to expanding their reach and enhancing their impact.

The Company has complied with the Guidelines on Corporate Governance framed by the Department of Public Enterprises (DPE) and SEBI Listing Regulations except for the appointment of requisite number of Independent Directors. Your Company has been continuously rated "Excellent" for its compliances with DPE Guidelines on Corporate Governance.

ADVANCING WITH PURPOSE INTO THE FUTURE

With the bustling business scenario in our company, we look ahead to FY 26, with optimism and anticipation. The delivery schedule for upcoming year is anticipated to be robust, with significant milestones projected across key phases of various projects including P17A, ASW-SWC and Survey Vessel (Large). The broader order pipeline remains active, with expected contract conclusion for the prestigious ₹25000+ crore New Generation Corvettes for the Indian Navy as also for commercial vessels, both domestic and export.

With growing global demand for ships and international shipyards operating at full capacity, GRSE stands poised to leverage its shipbuilding capabilities and establish itself as a global shipbuilder. Further, with the government's shipbuilding incentive programs, the Maritime India Vision 2030 and Amrit Kaal Vision 2047, the opportunities in shipbuilding would continue to thrive.

We are aware that the environment remains dynamic, but we are confident in the systems, talent and discipline we have put in place. We will continue to ensure that shareholder value is created not only through financial results but also through long-term sustainability and institutional credibility.

CONCLUSION

Dr APJ Abdul Kalam once said, "You have to dream before your dreams can come true," and let me state with pride and confidence that Team GRSE dreams big!

FY 25 has been a year of exemplary performance which paves the path to set an ambitious vision for the future. These extraordinary achievements are the by-product of continuous improvement across various

functions and a hunger to excel. I assure you that our Company will not rest on its laurels and will continue to pursue excellence with a renewed sense of purpose, as we seize the opportunities that lie before us.

I extend my sincere gratitude to the Ministry of Defence, Department of Defence Production and the Central and State Governments for their vision, support and guidance. I am also grateful for the trust and unstinted support of Indian Navy, Indian Coast Guard and the Border Roads Organisation. My heartfelt thanks to the Board of Directors, our employees, supply chain partners and technology partners for their unwavering support in this voyage towards continued excellence. I would also like to thank our shareholders, for continued trust and confidence in GRSE. I sincerely look forward to your steadfast and wholehearted support, as we embark on the next phase of our journey. Together, with a spirit of anticipation and optimism, we aim to achieve newer heights of success and excellence.

Jai Hind

CMDE PR HARI, IN (RETD.)

Chairman & Managing Director

About GRSE

GRSE stands as one of India's premier shipbuilding enterprises, operating under the administrative control of the Ministry of Defence. With a proud legacy, GRSE holds the distinction of being the first shipyard in the country to build warships for the Indian Navy and the Indian Coast Guard.



Over the years, GRSE has delivered more than 100 state-of-the-art warships, reflecting its unmatched expertise and commitment to national maritime security. The company's diverse product portfolio ranges from complex naval warships to cutting-edge weapon systems, encompassing commercial vessels, advanced deck machinery, marine diesel engines, naval surface guns and Bailey-type portable steel bridges.

GRSE continues to play a vital role in strengthening India's defence capabilities, while also contributing to the country's shipbuilding prowess on the global stage.



BUSINESS *Model*





Vision

To emerge as a globally competitive shipbuilder, recognized for excellence in design, innovation, engineering, sustainable technologies and timely delivery of world-class maritime vessels and systems - steering towards Maharatna recognition by FY2035.



Mission

To be self-reliant in design capability and deploy state-of-the-art manufacturing processes.

To build quality Warships at competitive prices, exceeding customer's expectation in terms of delivery time and product support.

To achieve sustained growth through customer satisfaction, product innovation, capturing export potential, employee and other stakeholder engagement and talent development.

Leverage GoI Initiatives and Technology to "Reform & Transform" in all spheres of Operations to attain "Next Level of Performance".

Expand operations into new geographical areas and enhance product portfolio through innovations.



FAIRNESS

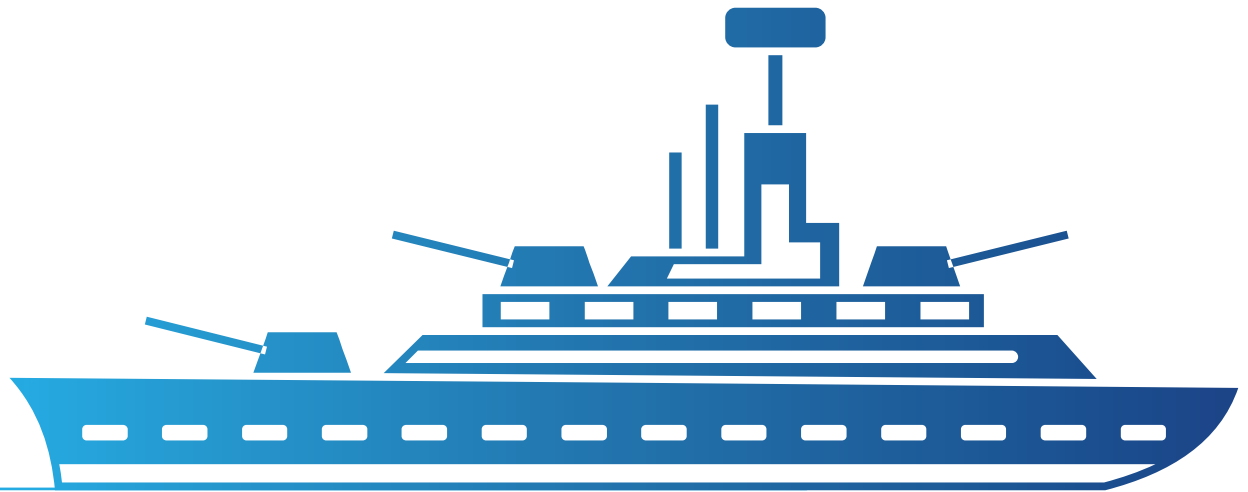
GRSE is dedicated to build a solid reputation rooted in fairness across all levels of its operations. It conducts business with integrity, ensuring that all interactions—whether with customers, vendors, partners, or internal teams—are handled with honesty and transparency. This ethical approach not only strengthens trust but also promotes a stable and respectful business environment. GRSE's focus on fair dealings has led to long-term relationships and repeated business engagements, as stakeholders find confidence in the company's consistent and principled conduct. Transparency in transactions remains central to fostering credibility and mutual respect throughout the organisation.

GENEROSITY

At GRSE, generosity is reflected in the culture of recognition, reward, and collective success. The company believes that every individual's effort contributes to the overall achievements of the organization and therefore ensures that success is shared across all levels. Through structured rewards, performance-based incentives and regular recognition programs GRSE actively boosts employee morale, productivity, and loyalty. By celebrating contributions and fostering a sense of belonging, the company strengthens team spirit and nurtures a motivated workforce. This generosity also extends to supporting personal and professional development, ensuring that individuals grow alongside the organisation.

PURSUIT OF EXCELLENCE

GRSE continuously strives for excellence in all facets of its operations. It is deeply committed to refining its products, enhancing services, and achieving the highest standards in customer satisfaction. The company actively invests in modern technologies, quality control processes and employee skill development to improve efficiency and competitiveness. Operational excellence is pursued through structured planning, performance measurement and a culture of accountability. By fostering innovation and embracing change, GRSE ensures it stays ahead of evolving industry trends and prepares itself for future business challenges. The pursuit of excellence is not just a goal—it is embedded in the company's DNA.



COMMUNITY INVOLVEMENT

GRSE takes its role in society seriously and is devoted to the upliftment and development of the communities where it operates. Through its Corporate Social Responsibility (CSR) initiatives, the company supports education, healthcare, infrastructure development, environmental sustainability and skill-building programs. GRSE believes in creating long-term value for society and continuously explores ways to improve the quality of life for underserved and underprivileged sections. The company actively engages with local stakeholders to address pressing community needs, thereby fostering goodwill and social harmony. Its approach to community involvement reflects a deep sense of responsibility and citizenship.

INNOVATION

Innovation is a key pillar of GRSE's growth and competitive edge. The company actively identifies emerging market needs, explores new technologies and develops advanced solutions that align with customer expectations. From design enhancements to production techniques, GRSE encourages a culture of experimentation and creativity across departments. It invests in research and development to stay at the forefront of maritime innovation. By aligning its innovation strategies with future defence and commercial demands, GRSE ensures it remains agile and resilient in a dynamic global environment. The organization believes that innovation is not a one-time achievement but a continuous process that drives long-term success.

CONCERN FOR EMPLOYEES' WELFARE

GRSE recognises that its employees are most valuable asset and places strong emphasis on their overall welfare. The company fosters a work culture where employee ideas are welcomed and respected, and individual contributions are valued. GRSE ensures that career development opportunities, training programs, and learning resources are readily available to support professional growth. The company also promotes work-life balance and psychological well-being by creating a supportive, inclusive and safe workplace. By prioritising employee satisfaction and engagement, GRSE not only enhances productivity but also builds a loyal and committed workforce that contributes meaningfully to the organisation's mission.

SHIP BUILDING

Prowess

GRSE's shipbuilding expertise is a cornerstone of India's maritime defence capability. As one of the oldest and most respected shipyards in the country, GRSE has delivered a wide range of technologically advanced naval and commercial vessels over the decades. The company plays a strategic role in supporting the Indian Navy and Coast Guard by producing frontline warships, fast patrol vessels, landing crafts, and more. Its state-of-the-art infrastructure, skilled workforce, and adherence to international quality standards enable it to build world-class ships with precision and speed. In the face of evolving global geopolitical scenarios, GRSE continues to bolster India's maritime security while also exploring export opportunities. Its commitment to shipbuilding excellence underscores the nation's ability to be self-reliant and competitive in the global maritime arena.

Shipbuilding Highlights of FY25

₹4,757.03 crore

Total Shipbuilding Income in FY 25 (vs. ₹3,280.33 crore in FY 24)

40

Vessels under Construction

4

Deliveries

3

Keel Layings

8

New Contracts Secured

SHIP BUILDING *Prowess*



FRIGATE

These powerful warships serve as essential guardians of the seas, equipped with cutting-edge weapons and surveillance systems. Their multi-role capability allows them to protect national maritime interests and ensure operational superiority in complex naval scenarios.



MISSILE CORVETTE

Compact yet highly potent, missile corvettes form a core component of GRSE's naval defence fleet. These vessels are outfitted with state-of-the-art missile systems and play a pivotal role in offensive and defensive maritime operations.



ANTI-SUBMARINE WARFARE CORVETTE

Purpose-built for detecting and neutralising underwater threats, these corvettes are crucial in maintaining maritime security. Their advanced sonar systems and anti-submarine weapons make them indispensable assets for undersea defence.



LANDING SHIP TANK AND LANDING CRAFT UTILITY

These ships are vital for amphibious military operations, enabling the transportation of troops, equipment, and vehicles to shorelines. They offer strategic mobility and logistical support in combat and humanitarian missions.



SURVEY VESSEL

Designed for hydrographic and oceanographic surveys, these vessels are critical in ocean mapping and navigational data gathering. They provide vital data required for safe navigation and strategic maritime planning.



PATROL VESSEL

Patrol vessels (both offshore and inshore) safeguard coastal waters and maintain law enforcement in national and international waters. Their versatility and mobility make them ideal for surveillance, anti-smuggling, and search-and-rescue operations.



FLEET REPLENISHMENT TANKER

Fleet tankers are essential for maintaining naval fleet endurance by supplying fuel, fresh water, and provisions at sea. These vessels enhance mission sustainability by ensuring continuous fleet operations without the need to return to port.



WJ-FAC, HOVER CRAFT, AND FAST INTERCEPTOR BOAT

These high-speed vessels are designed for rapid-response missions and coastal defence. Equipped for interception, patrol, and rescue operations, they bolster GRSE's defence capabilities. A significant share of GRSE's revenue is driven by its long-standing trust with the Indian Navy and Coast Guard.

SHIP REPAIR -

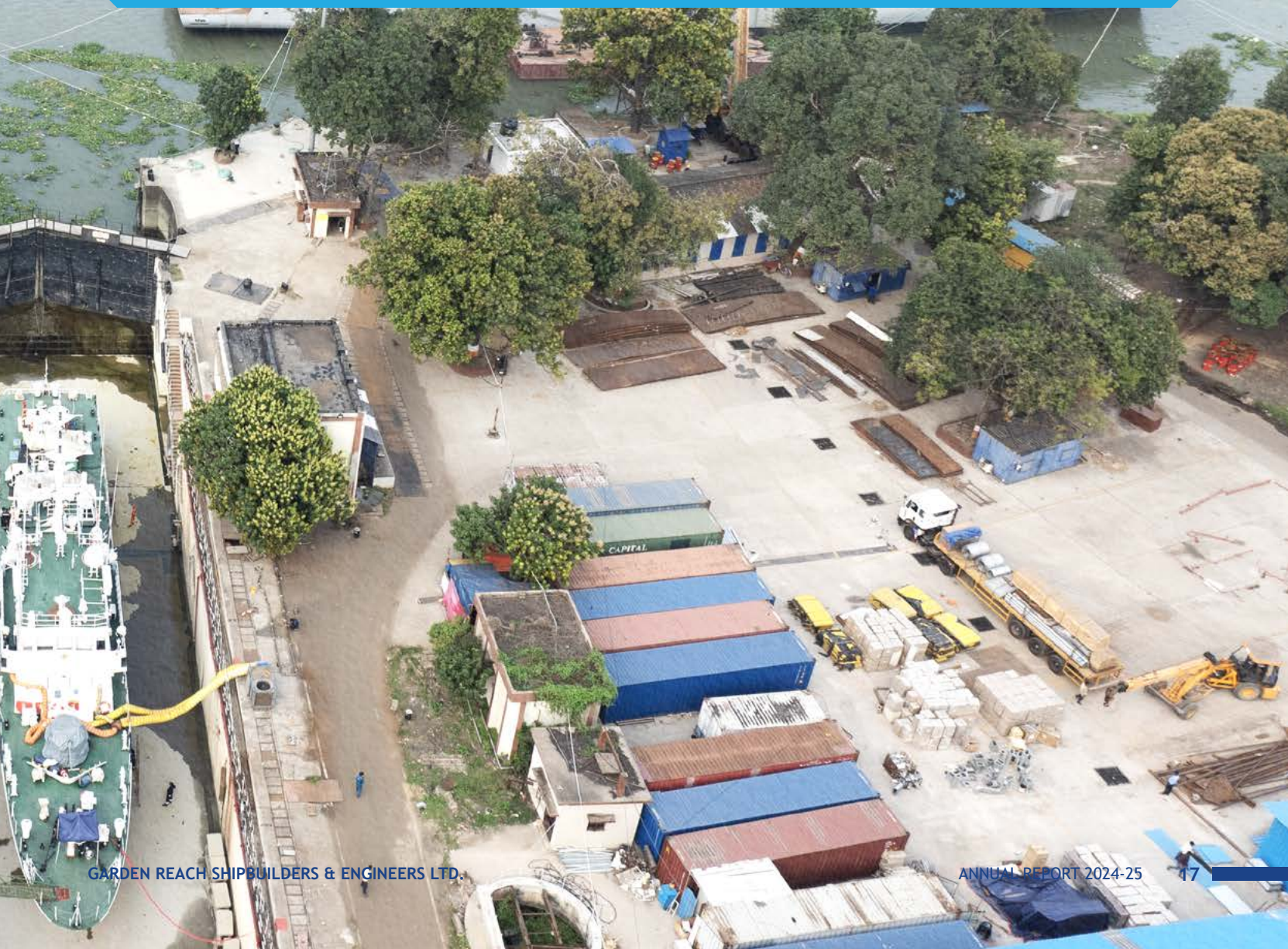
Ensuring Fleet Maintenance



GRSE has established itself as a reliable partner in ship repair and maintenance, having served naval and commercial fleets of countries like Sri Lanka, Maldives, Mauritius, and Seychelles. To address increasing demand, the company has set up a dedicated Ship Repair vertical equipped to manage scheduled, unscheduled, and emergency repairs. The team comprises of professionals with over 25 years of combined experience both at sea and onshore. This vertical benefits from a robust

vendor network, dependable supply chain, and strong technical support from GRSE's design and production teams. Their services span across dry docking, refit management, and mechanical, electrical, hydraulic, and piping works, along with failure analysis and technical studies. GRSE ensures in-service support to maintain fleet availability across the Indian Ocean Region (IOR), reinforcing its role as a dependable maintenance partner.

Revenue from the Ship Repair Division, which began independent operations in FY 2021-22 with ₹19 crore, has surged multifold to ₹113.82 crore in FY 2024-25, supported by high-value refits for the Indian Navy and projects from coast guards and commercial vessels.



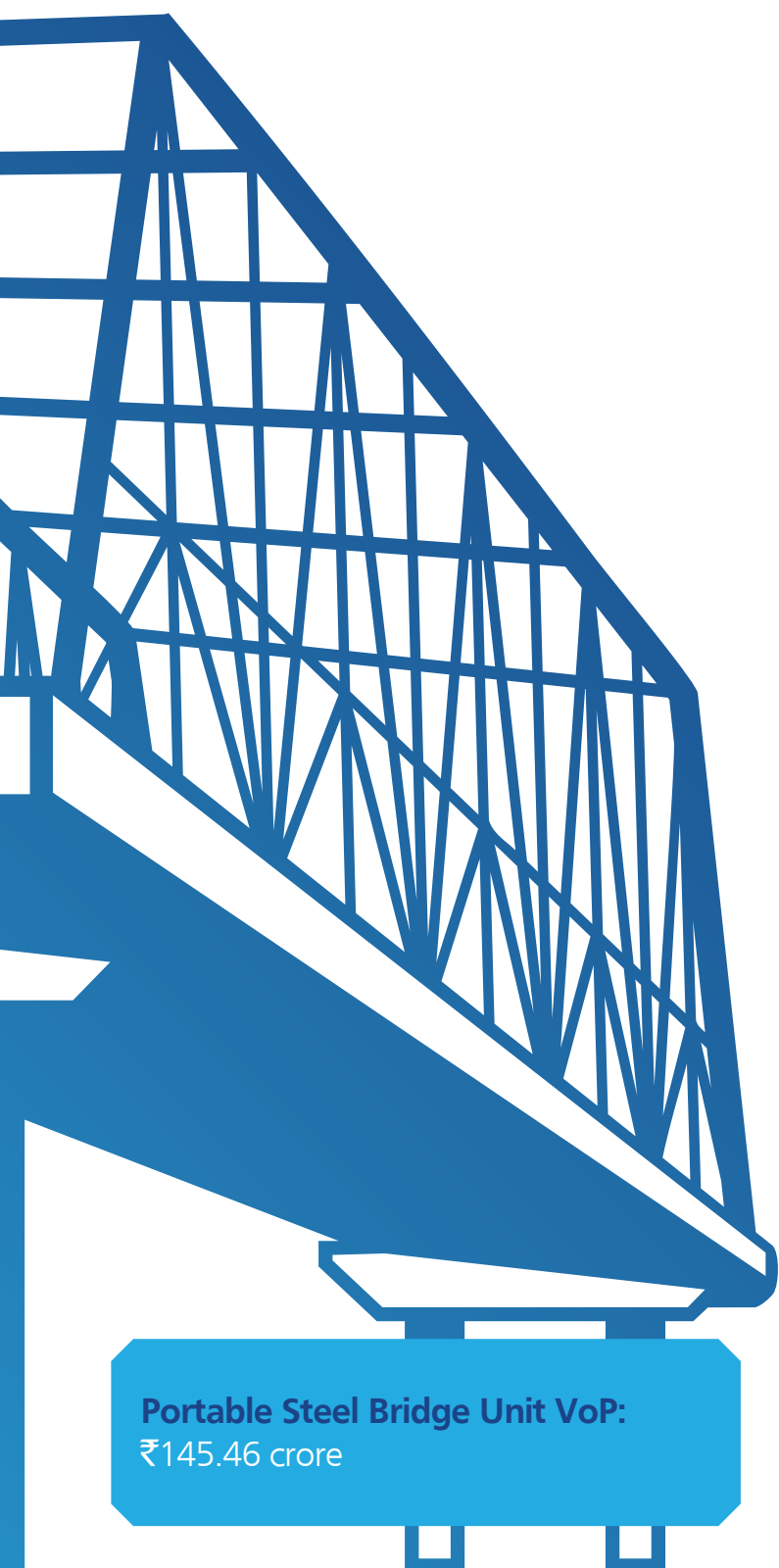
ENGINEERING

Products

GRSE's Engineering Division showcases the company's commitment to diversification, innovation, and self-reliance. Leveraging its shipbuilding expertise, GRSE delivers advanced engineering products that support India's infrastructure and defence sectors. The division manufactures portable bridges and specialised deck machinery, reflecting engineering excellence and innovation. With its sights set on future maritime challenges, the division continues to expand its capabilities to provide tailored solutions. It plays a key role in enhancing national engineering strength while also strengthening GRSE's global leadership in maritime engineering.

Engineering Division VoP (2024-25):
₹149.79 crore (vs. ₹167.17 crore in 2023-24)

Production:
102 bridges (7,715 MT) vs.
90 bridges (6,750 MT) in 2023-24



Portable Steel Bridge Unit VoP:
₹145.46 crore

Exports:
14 sets worth ₹27.93 crore to Nepal
& Bhutan

A DIVERSE PORTFOLIO



Portable Bridges

GRSE's portable bridges are designed for mobility and resilience, making them ideal for rapid deployment in emergency or remote areas. Easily assembled and dismantled, they offer critical connectivity where conventional infrastructure is unavailable. These bridges are especially valuable in disaster relief, military logistics, and rural access missions.



Deck Machinery Items

GRSE develops and manufactures a range of advanced deck machinery, emphasizing indigenisation and reliability. These systems are designed to withstand harsh maritime environments and are vital for core ship operations such as anchoring, towing, and cargo handling. Their robust design and technical precision enhances the overall performance and safety of ships.

An aerial photograph of a large ship, possibly a naval vessel or a cargo ship, moving across a deep blue ocean. The ship is leaving a white wake behind it. In the background, there are dark, forested mountains under a blue sky with scattered white clouds.

MARINE

Diesel Engines

GRSE's Diesel Engine Division, located in Ranchi, is a testament to its push toward technological self-sufficiency. In partnership with MTU, Germany, the division combines world-class engineering with local manufacturing to support India's maritime goals. The facility is equipped with modern testing benches and machinery for the assembly, maintenance, and quality assurance of marine diesel engines. Operated by a team of highly skilled professionals, the plant produces engines known for durability, efficiency, and peak performance in maritime operations.



Indigenisation at GRSE

GRSE continues to champion the “Make in India” initiative, advancing indigenisation through the transfer of technology, co-production, in-house design, and local manufacturing. By integrating locally sourced components into its vessels and systems, GRSE reduces import dependency and strengthens India’s defence manufacturing ecosystem.



Expanding Defence Capabilities

A landmark development was the signing of a ₹248.50 crore contract with the Ministry of Defence for the 30 mm Naval Surface Gun, with 60% indigenous content under the Buy (India) category. GRSE is also aligned with the Make-II programme for 97 additional systems over five years and is engaging with the Indian Coast Guard for their requirements.

In shipbuilding, GRSE has achieved high indigenous fit levels—over 90% in Anti-Submarine Shallow Watercraft, 87% in Survey Vessel (Large) and 80% in P17A Frigates. Progress under the Ministry of Defence’s Positive Indigenisation Lists includes the successful localisation of 30 out of 41 items, while 39 out of 57 items on the SRIJAN portal have been indigenised.



Technology and Innovation

The Company has introduced new technologies such as an AI-enabled welding helmet and flexible rod gearing for valve control. It has also diversified beyond warship construction, delivering 13-metre patrol boats to Bangladesh, and strengthening capabilities in modular steel bridges, medium-speed engines, and shafting solutions.



Advanced Weapons and Sensors

GRSE is developing critical naval technologies to enhance India's maritime security. These include the 30 mm Naval Surface Gun for frontline warships and the Low Frequency Variable Depth Sonar for submarine detection, both aimed at bolstering indigenous defence capability.



Recent Breakthroughs

- 30 mm Naval Surface Gun: Developed indigenously and successfully trialled at sea in May 2025. Designed for Aruna-class warships, it incorporates an Electro Optical Fire Control System.
- Unmanned Surface Vessel 'Jaldoot': Delivered in FY 2024-25 to DRDO's NSTL for autonomous maritime operations, including surveillance, reconnaissance, and tactical support.



Strengthening Domestic Production

Over 85% of the content is indigenous in Anti-Submarine Warfare Corvettes and Landing Craft Utility ships. Modernisation of the Diesel Engine Plant at Ranchi further supports localisation, with a target of 40% indigenisation of engine parts.

10 YEARS'

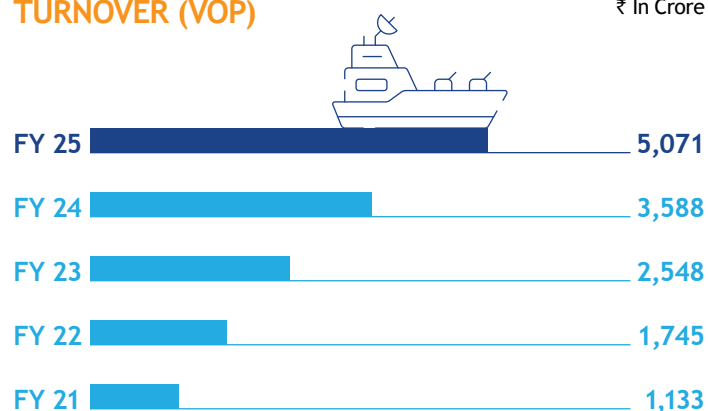
Financial Highlights

₹ in Lakh

PARTICULARS	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
FINANCIAL POSITION:										
Equity Share Capital	12384	12384	11455	11455	11455	11455	11455	11455	11455	11455
Reserve & Surplus	101042	95767	90698	92376	92568	102257	114334	129927	155889	196471
Net Worth	113426	108151	102154	103831	104023	113712	125789	141382	167344	207926
Capital Employed	110613	98112	102154	103831	104023	113712	125789	141382	167344	207926
Gross Block	56640	60454	47233	39959	43081	49614	68703	72970	75421	81618
Net Fixed Assets	34370	35834	38917	30225	30369	34020	50065	50761	49257	51516
Working Capital	76243	62278	60249	68476	56100	54298	56904	72497	98943	137494
OPERATING RESULTS:										
Sales	30668	22162	23390	14677	21784	51573	21262	33234	112758	107773
Value of Production	166075	92784	134552	137877	142470	113276	174528	254784	358846	507098
Value Added	63970	47487	62659	61398	68734	66966	81088	95381	133521	147975
Profit/(Loss) Before Tax	24915	2089	12775	17896	22387	20712	25724	30522	48092	70329
Provision for Tax	8710	865	3535	6902	6039	5365	6771	7709	12365	17589
Profit/(Loss) after Tax	16205	1223	9240	10994	16348	15347	18953	22812	35727	52740
APPROPRIATION										
CSR Reserve	-	94	-	-	-	-	-	-	-	-
General Reserve	1607	-	9554	-	-	-	-	-	-	-
Proposed Dividend on Equity	5322	5408	5080	7,961	8179	5728	6644	7102	10722	15865
Tax on Proposed Dividend	1083	1101	1034	1636	1352	-	-	-	-	-
RATIOS										
PBT/ Capital Employed	0.23	0.02	0.13	0.17	0.22	0.18	0.20	0.22	0.29	0.34
PBT/ Production (VOP)	0.15	0.02	0.10	0.13	0.16	0.18	0.15	0.12	0.13	0.14
Production (VOP)/ Capital Employed	1.50	0.95	1.32	1.33	1.37	1.00	1.39	1.80	2.14	2.44
Value Added/ Production (VOP)	0.39	0.51	0.47	0.45	0.48	0.59	0.46	0.37	0.37	0.29
No. of Employees	2592	2401	2214	2100	1973	1900	1790	1747	1649	1690

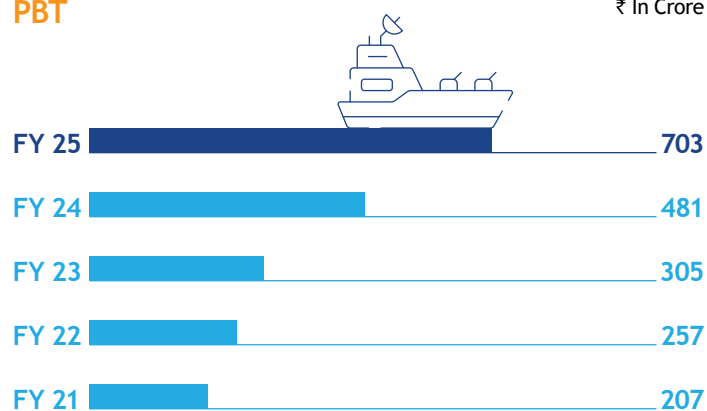
TURNOVER (VOP)

₹ In Crore



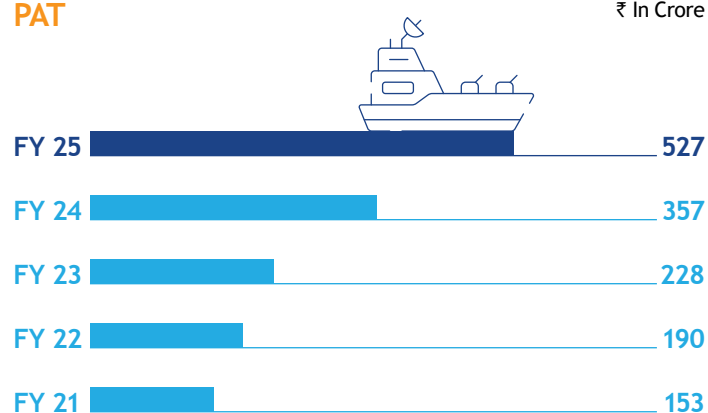
PBT

₹ In Crore



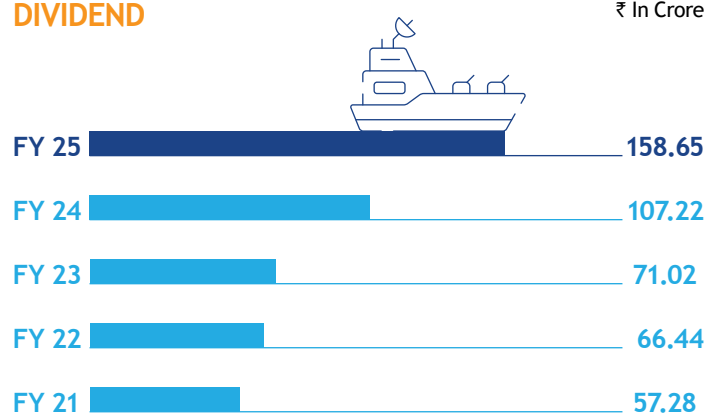
PAT

₹ In Crore



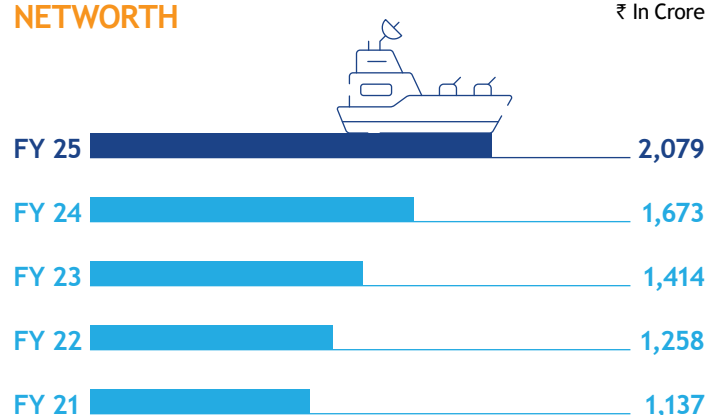
DIVIDEND

₹ In Crore



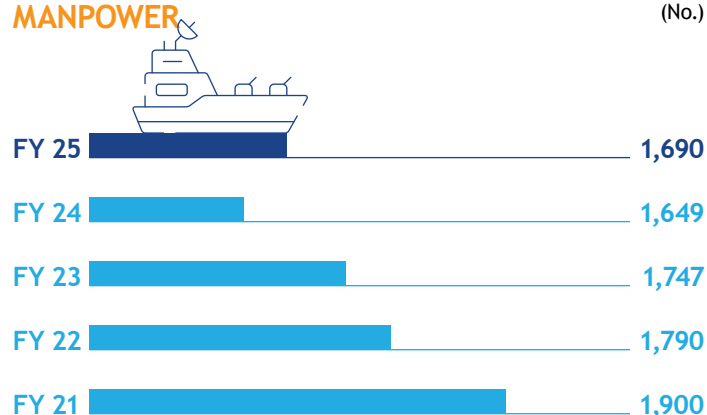
NETWORTH

₹ In Crore



MANPOWER

(No.)



RELATIONSHIP *Capital*

Our relationship capital is anchored in the trust and long-standing engagements we maintain with defence forces, partners, employees, and institutions. These connections have been vital in building resilience, delivering value, and reinforcing our role in nation building.





Partnerships with Defence Forces and Allied Agencies

The company enjoys strong bonds with the **Indian Navy, Indian Coast Guard**, and other allied defence agencies, having delivered **111 warships**—the highest by any Indian shipyard. These partnerships extend beyond ship delivery to include refits, lifecycle support, and joint initiatives in advanced naval technologies.

Vendor and MSME Ecosystem

We nurture a diverse vendor ecosystem with emphasis on **Micro and Small Enterprises (MSEs)**, in alignment with national priorities. In FY 2024–25, **73.9% of our total procurement value was sourced from MSEs**, including **3% from women-owned MSEs**. This integration of MSMEs into our supply chain reflects our role as a catalyst for inclusive growth and indigenisation.

Employee Engagement

Our **1,690 employees** form the foundation of our operations. Policies on inclusivity, welfare, and continuous learning support their expertise, discipline, and commitment. Women constitute around **5% of our workforce**, reflecting our steady progress towards greater diversity.

Wider Institutional Linkages

Our relationships extend to **government agencies, state bodies, classification societies, and industry associations** such as FICCI, CII, and SIDM. These engagements strengthen our industry positioning, enable knowledge exchange, and ensure compliance with the highest standards of governance and quality.

RELATIONSHIP *Capital*

EXPERIENCED WORKFORCE

GRSE is backed by a team of highly qualified and experienced professionals across all core functions. The senior leadership includes experts in shipbuilding, design, engineering, finance, HR, and operations. This talented workforce is instrumental in maintaining GRSE's high standards in project execution and customer satisfaction.

STRONG AND ENDURING RELATIONSHIPS WITH INDIAN NAVY AND INDIAN COAST GUARD

GRSE's partnership with the Indian Navy and Coast Guard dates back to 1961 with the delivery of INS Ajay. Since then, the company has delivered 113 warships to Indian and foreign maritime forces, and built over 800 vessels to serve India's naval objectives. Its close collaboration with naval directorates ensures alignment with operational needs and fosters long-standing relationships rooted in trust and performance.

BUSINESS DIVERSIFICATION

To expand its capabilities and revenue streams, GRSE has diversified into Ship Repair and Commercial Warship production. It has also expanded operations in the manufacturing of Portable Steel Bridges, Deck Machinery, and Marine Diesel Engines. These diversification initiatives support vertical integration, allowing the company to control quality and timelines more efficiently. By combining innovation with targeted marketing, GRSE continues to strengthen its market presence and reinforce its position as a comprehensive maritime solutions provider.





Board of DIRECTORS



COMMODORE P R HARI, IN (RETD.)

Chairman & Managing Director

Cmde P R Hari, IN(Retd.) (DIN: 08591411), with over 36 years of experience, assumed charge as Chairman & Managing Director of the Company on 10 Jun 2022. He holds a Bachelor's Degree in Mechanical Engineering and a Master's Degree in Defence & Strategic Studies. An alumnus of the Defence Services Staff College, Wellington, he has also completed the 5th Higher Defence Orientation Course at AWC Mhow and the prestigious Naval Higher Command Course at the Naval War College, Goa.

He has had an illustrious Naval career during which he held various key appointments in Strategy and Operations, Technical Administration, and Tactical Decision-Making. His professional experience includes nine afloat appointments, seven of which were on frontline warships of the Indian Navy. He has also served in staff roles at the Eastern Naval Command and as Command Engineer Officer for the Southern Naval Command. A notable highlight of his career was his role as the Commissioning Engineer Officer of India's first indigenously built stealth frigate, INS Shivalik. He holds the unique distinction of serving in afloat appointments for a continuous span of eleven years and six months.

Cmde Hari joined the Company as a Chief General Manager (PP&C) in 2016, overseeing Production Planning for all new construction ships at that time. He also served as Director (Personnel) from 21 October 2019 to 10 June 2022, where he led the Human Resources, Corporate Planning, and Technical functions of GRSE.



SHRI RAJEEV PRAKASH, JS (NS)

Government Nominee Director

Shri Rajeev Prakash (DIN: 08590061), Joint Secretary (Naval System), has been appointed as Part-Time Official Director (Government Nominee Director) of the Company by the Department of Defence Production, Ministry of Defence, Government of India, with effect from 15 Jul 2025. He has completed B.A. Honors in English from St. Stephen's College, University of Delhi and M.A. in Development Studies from the Institute of Social Studies, Erasmus University. Further, he is a 1995 batch Indian Post & Telecommunication Accounts and Finance Service Officer (IP&TAFS).

Shri Rajeev Prakash has a vast experience in the field of finance and held various important posts in the Government of India. Prior to joining as Joint Secretary (Naval System) in Department of Defence Production, Ministry of Defence, Govt. of India in June 2022, he has worked as Deputy Director General (Wireless Planning & Finance), Department of Telecommunication, Ministry of Communication. Further, he was also a Government Nominee Director on the Board of Bharat Broadband Network Limited, Hindustan Aeronautics Limited, Gliders India Limited, Bharat Electronics Limited, and Troop Comforts Limited. Presently, he is a Government Nominee Director on the Board of Mazagon Dock Shipbuilders Limited and Hindustan Shipyard Limited since 10 Dec 2024 and 19 May 2025, respectively.

Notably, Shri Rajeev Prakash previously also held the position of Part-Time Official Director (Government Nominee Director) of GRSE from 23 Jun 2022 to 10 Dec 2024.



COMMANDER SHANTANU BOSE, IN (RETD.)

Director (Shipbuilding)

Cdr. Shantanu Bose, IN (Retd.) (DIN: 09631817), after serving in the Indian Navy for 23 years, joined the Company in 2013. He has assumed charge as Director (Shipbuilding) of the Company with effect from 08 June 2022. Cdr Bose is a qualified and experienced naval architect who has been in charge of several projects undertaken by the Company since 2013. Before assuming charge as Director (Shipbuilding), he was working as General Manager (MW & P17A). He completed his B. Tech in Naval Architecture & Shipbuilding from Cochin University of Science and Technology, and Diploma from IIT, Delhi. He also holds Post Graduate Diploma in Management from Jamnalal Bajaj Institute of Management Studies, University of Mumbai. Further, he holds membership of the Institution of Engineering (India) and Institution of Naval Architecture.

Cdr. Shantanu Bose, IN (Retd.) brings deep technical insight and hands on experience in all aspects of Shipbuilding, project execution, and team leadership. He has been instrumental in the adoption of Integrated Construction (IC) methodology, utilization of the Virtual Reality Laboratory (VRL) for design, and implementation of Product Data Model (PDM) and Product Lifecycle Management (PLM) systems. His ongoing focus includes R&D initiatives, infrastructure modernization, and driving indigenization efforts. Under his leadership, the RBD Unit of GRSE has been significantly upgraded and is actively contributing to current construction programs.



CAPTAIN P SUNILKUMAR, IN (RETD.)

Director (Corporate Planning and Personnel)

Capt. P Sunilkumar, IN (Retd.) (DIN: 11193635), joined GRSE in September 2016 after rendering nearly 22 years of commissioned service in the Indian Navy. He assumed charge as Director (Corporate Planning & Personnel) of GRSE with effect from 14 July 2025. He is an alumnus of the Naval College of Engineering and holds a B.Tech (Mechanical) from JNU, New Delhi. He also holds Master's degrees in Systems and Controls Engineering (IIT Mumbai) and Defence & Strategic Studies (64th DSSC) from Madras University.

Prior to this appointment, he served as Chief General Manager and was the Unit In-Charge and Occupier of GRSE's Fitting Out Unit, a production facility responsible for outfitting all three P17A class ships and one Survey Vessel, with a workforce exceeding 2,000 personnel. Capt. P Sunilkumar commenced his tenure at GRSE as Additional General Manager (Materials). He subsequently assumed the role of General Manager (Cost Estimation & Corporate Planning) and was later elevated to Chief General Manager (Corporate Planning & Corporate Communication).

He is a certified Project Management Professional (PMP®), Certified International Supply Chain Professional (CISCP), and holds diplomas in Supply Chain Management and Human Resource Management. His interests include 'Personal Finance' (he has attained Level 3 in CFP®), and reading in the domains of strategy, motivation, and allied subjects.

Board of **DIRECTORS** cont.



SHRI KAMLESHBHAI SHASHIKANTBHAI MIRANI

Part-Time Non-Official (Independent) Director

Shri Kamleshbhai Shashikantbhai Mirani (DIN: 11118795), has been appointed as Independent Director of GRSE by the Department of Defence Production, Ministry of Defence, Government of India, with effect from 21 May 2025. He is a commerce graduate from Saurashtra University, Rajkot, and brings extensive experience in public sector administration and real estate.

Shri Mirani has held key advisory and leadership positions in various government bodies, including the Rajkot Municipal Corporation, Gujarat State Road Transport Corporation, and the Telephone Advisory Committee (Government of India). During his association with these organizations, he led initiatives focused on uplifting underprivileged communities, strengthening social infrastructure, and improving local governance. His tenure involved oversight of financial and administrative operations, highlighting his strengths in policy planning and resource management. He also made contributions to grievance redressal mechanisms and overall efficiency of public service delivery.

In addition to his public service, Mr. Mirani is actively engaged in the real estate sector, applying his governance and administrative experience to private enterprise. His professional journey reflects a strong commitment to civic responsibility, effective governance, and business acumen.

Corporate INFORMATION

BOARD OF DIRECTORS

Cmde. P R Hari, IN (Retd.)
Chairman & Managing Director

Cdr. Shantanu Bose, IN (Retd.)
Director (Shipbuilding)

Capt. P Sunilkumar, IN (Retd.)
Director (Corporate Planning and Personnel)
(From 14 Jul 2025)

Shri Rajeev Prakash, IP&TAFS
Government Nominee Director
(Upto 10 Dec 2024 and From 15 Jul 2025)

Shri Kamleshbhai Shashikantbhai Mirani
Part-Time Non-Official (Independent) Director
(From 21 May 2025)

Shri Sanjay Dattatraya Panse
Part-Time Non-Official (Independent) Director
(Upto 26 Dec 2024)

Shri Sanjeeb Mohanty
Part-Time Non-Official (Independent) Director
(Upto 05 Apr 2025)

DIG Subrato Ghosh, ICG (Retd.)
Director (Personnel)
(Upto 30 Apr 2025)

Shri Ramesh Kumar Dash
Director (Finance) & CFO
(Upto 31 May 2025)

Dr. Garima Bhagat, IRS-IT
Government Nominee Director
(From 23 Dec 2024 to 14 Jul 2025)

INDEPENDENT EXTERNAL MONITORS

Shri Lov Verma, IAS (Retd.)

Shri Debashis Bandyopadhyay,
Ex-Director (HR), BHEL

ADVISOR

Cmde. Jayanta Chowdhury, IN (Retd.)

COMPANY SECRETARY AND COMPLIANCE OFFICER

Shri Sandeep Mahapatra

SENIOR MANAGEMENT

Shri Venkatesh Murthy
Chief General Manager (CSB)

Cmde. Rajat Manchanda, IN (Retd.)
Chief General Manager
(Planning – SVL & ASW SWC)

Cdr. B Mishra, IN (Retd.)
Chief General Manager (Tech & Projects)

Cmde. Rajiv Sreedharan, IN (Retd.)
Chief General Manager (Design & PS-NWD)

Cmde. Indrajit Dasgupta, IN (Retd.)
Chief General Manager
(SR & TU and PS – 30 mm Gun Project)

Cmde. Vikas Kaushal, IN (Retd.)
Chief General Manager (PS-17A & ORV)

Cmde. Nitin Nangia, IN (Retd.)
Chief General Manager (SP & NT)

Cmde. Ramesh Menon, IN (Retd.)
Chief General Manager (BB & DEP)

Shri Sujoy Chakravorty
Chief General Manager (Commercial)

Cmde. Vinith Aerat, IN (Retd.)
Chief General Manager (B&TD, CC & NPd)

Shri Gulshan Ratan
General Manager (CP, VD & Indigenisation)

Smt. Aparajita Ghosh
General Manager (Finance)

Cdr. M K Gupta, IN (Retd.)
General Manager (MTL, SCC, HP & IP)

Shri Rajeev Shrivastava
General Manager (HR&A)

Cdr. Satish Chandra Jha, IN (Retd.)
General Manager (RBD)

Shri Goutam Karmakar
General Manager (MFOS - FOJ)

Shri Prashanta Kumar Mondal
General Manager (QA)

Shri Kingshuk Mistry
General Manager (PS-NGOPV & Dredger)

Cdr. Aravind Shankar, IN (Retd.)
General Manager (H & HOF - FOJ)

Shri M K Pandey
General Manager (I/C MW)

Shri D K J Singh
General Manager (I/C DEP)

Col. Sanjay Anand, IA (Retd.)
General Manager (I/C Security, Fire and OL)

Cdr. Harish Kumar, IN (Retd.)
General Manager (I/C RO - Delhi)

BANKERS

State Bank of India
PNB
IDBI Bank
ICICI Bank
HDFC Bank
Axis Bank
Bank of Baroda
Yes Bank
RBL Bank
Federal Bank
IndusInd Bank

STATUTORY AUDITORS

M/s. Guha Nandi & Co.
Chartered Accountants

SECRETARIAL AUDITORS

M/s. Mehta & Mehta
Practicing Company Secretaries

COST AUDITORS

M/s. Chatterjee & Co
Cost Accountants

REGISTRAR & TRANSFER AGENT

M/s. Alankit Assignments Limited

REGISTERED OFFICE

GRSE Bhavan,
61, Garden Reach Road,
Kolkata - 700 024.

CIN No.: L35111WB1934GO1007891

Website: www.grse.in

DIRECTORS' REPORT

Dear Shareholders,

Your Board of Directors is delighted to present the Annual Report on the performance of your Company and its Audited Financial Statements for the Financial Year ended 31st March 2025, along with the Reports of the Statutory Auditors and the Comptroller & Auditor General of India (C&AG) thereon.



Directors' Report

FINANCIAL PERFORMANCE

FINANCIAL PERFORMANCE

The financial performance of your Company has been exceptional during the financial year 2024-25. During the year, the Company has registered an improvement in Revenue from Operation by 41%, by registering ₹ 5,075.69 crore against ₹ 3,592.64 crore in the previous year. Furthermore, EBIDTA and PAT experienced robust growth, increasing by 42% and 48%, respectively, underscoring our strong operational performance and profitability.

The financial highlights for the financial year 2024-25 and 2023-24 are summarized below:

(₹ in crore)

Particulars	2024-25	2023-24
Value of Production	5,070.98	3,588.46
Revenue from Operation	5,075.69	3,592.64
Profit Before Depreciation, Interest and Tax	756.10	533.74
Finance Cost	10.32	11.49
Depreciation	42.49	41.33
Profit Before Tax	703.29	480.92
Provision for Tax	175.89	123.65
Profit After Tax	527.40	357.27
Other Comprehensive Income (Net of Tax)	(2.56)	1.10
Total Comprehensive Income	524.84	358.37

The financial position of your Company as on 31 March 2025 and 31 March 2024 is appended below:

(₹ in crore)

Particular	As on 31 March 25	As on 31 March 24
Capital Employed	2,079.26	1,673.44
Gross Block	816.18	754.21
Net Block	515.16	492.57
Working Capital	1,374.94	989.43
Net Worth	2,079.26	1,673.44
Value Added	1,479.75	1,335.21
Value of Production	5,070.98	3,588.46
Profit Before Tax	703.29	480.92

Particular	As on 31 March 25	As on 31 March 24
Ratios:		
Profit before interest and tax: Capital Employed (%)	34.32	29.43
Profit after tax: Net Worth (%)	25.36	21.35
Gross Profit: Capital Employed (%)	36.36	31.89
Profit Before Tax: Value of Production (%)	13.87	13.40
Value of Production: Capital Employed (%)	243.88	214.44
Current Ratio (In times)	1.17	1.12
Return on Equity (%)	28.11	23.14
Trade Receivables Turnover Ratio (In times)	22.38	29.32
Trade Payable Turnover Ratio (In times)	3.57	3.73

Value of Production

Your company has achieved a record Value of Production ('VoP') of ₹5,070.98 crore as against ₹3,588.46 crore during the previous year. The comparative VoP for the three Divisions of the Company are as follows:

(₹ in crore)

Year	Ship Division	Engineering Division	Engine Division	Misc.	Total
2024-25	4,870.85	149.79	50.34	-	5,070.98
2023-24	3,373.22	167.17	47.90	0.17	3,588.46

Net Worth

During the year under review, your Company reported a Net worth of ₹2,079.26 crore as on 31 March 2025 against ₹1,673.44 crore as reported on 31 March 2024.

Value Addition

The Value added during the financial year under review was ₹1,479.75 crore as against ₹1,335.21 crore during the previous year. The Value added per employee rose to ₹87.56 lakh compared to ₹80.97 lakh in the previous year.

Appropriations

Considering the financial performance of your Company in the year 2024-25, the Board of Directors are pleased to recommend the following appropriations from the disposable surplus:

	(₹ in crore)
Profit After Tax	527.40
Other Comprehensive income for the year, Net of Tax	(2.56)
Total Comprehensive income for the period	524.84
Less:	
Final Dividend of FY 2023-24 on the Paid-up Capital	16.50
Interim Dividend of FY 2024-25	102.52
Balance retained in Statement of Profit & Loss	405.82

Contribution to the Exchequer

During the financial year 2024-25, your Company contributed ₹85.70 crore to the National Exchequer by way of Income Tax and GST.

Dividend Distribution Policy

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Board of Directors of the

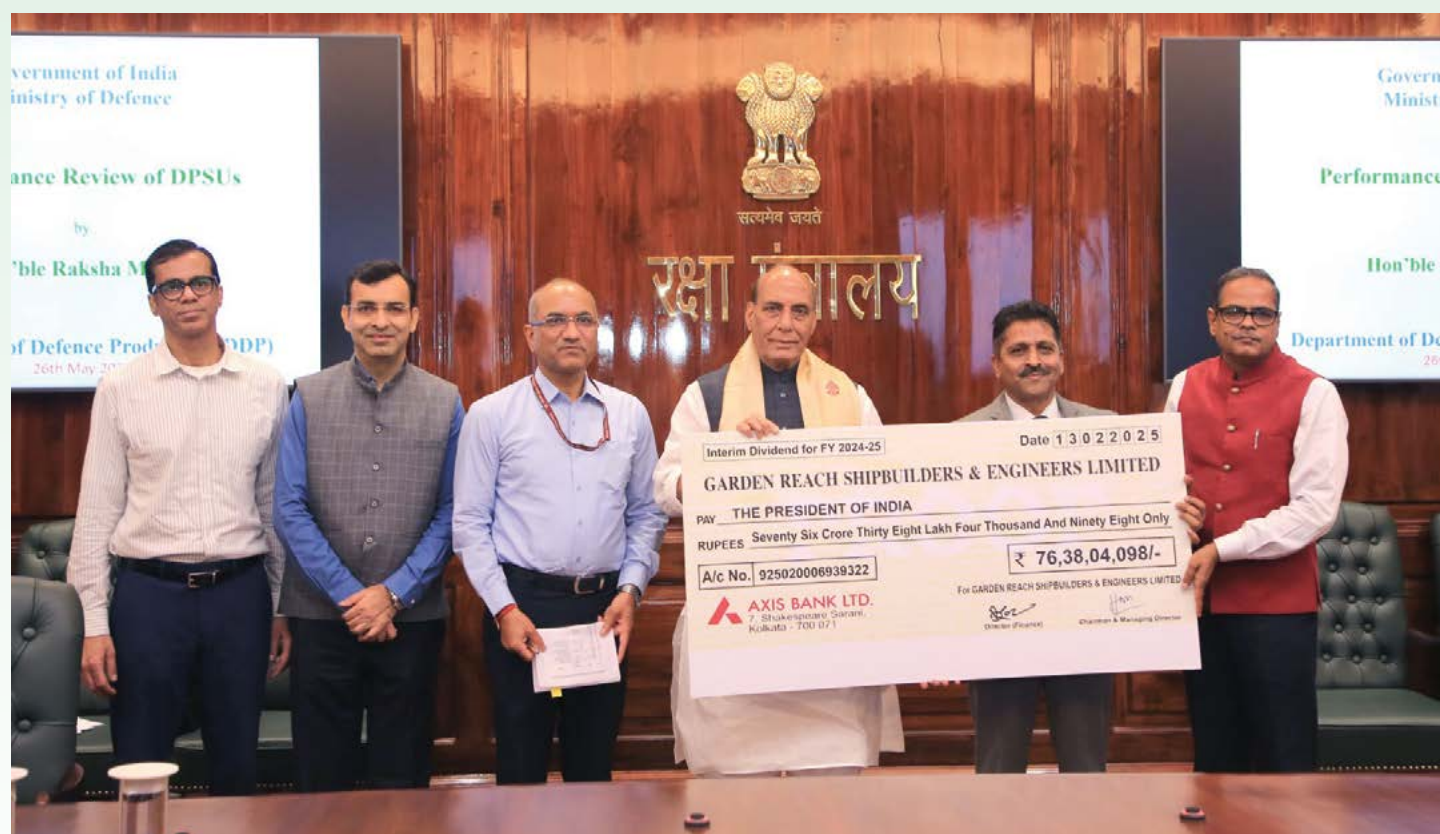
Company have formulated a Dividend Distribution Policy keeping in view the provisions of SEBI Listing Regulations, the Companies Act, 2013 and Guidelines issued by the Department of Public Enterprises (DPE) and the Department of Investment and Public Asset Management (DIPAM). The Policy is available on the Company's website at <https://grse.in/wp-content/uploads/2022/04/GRSE-Dividend-Distribution-Policy.pdf>.

Dividend

Pursuant to the approval of the Board of Directors on 03 Feb 2025, your Company has paid an interim dividend of ₹8.95/- per equity share of face value of ₹10/- each to Shareholders who were on the Register of Members as on 07 Feb 2025, being the record date fixed for this purpose. Further, the Board, at its meeting held on 13 May 2025 has recommended final dividend of ₹4.90/- per equity share of face value of ₹10/- each for the financial year 2024-25. Thus, the total dividend for the financial year 2024-25, if approved by the Shareholders, would be ₹13.85/- per equity share.

MOU Rating

Your Company has been rated "Excellent" with a score of **96.5** out of 100 as per MoU Evaluation for **FY 2023-24** by the Department of Public Enterprises. Further, on the basis of actual achievements vis-à-vis parameters laid down in the MoU signed with the Government of India, your Company is expected to be rated "Excellent" again for its performance during the **FY 2024-25**.



Directors' Report

PERFORMANCE OF THE COMPANY DURING THE YEAR

A. SHIPBUILDING

The Company has achieved a total shipbuilding income of ₹4,757.03 crore during 2024-25 as against ₹3,280.33 crore in 2023-24. Notably, the Company delivered a Survey Vessel (Large) to Indian Navy on 08 Oct 2024, which was commissioned on 18 Dec 2024 at Vizag. Further, the details of vessels under construction in your Company as on 31 Mar 2025 are as follows:

Project / Vessel Type	No. of Vessels
Project P-17A for Indian Navy	03
Survey Vessel (Large) for Indian Navy	02
ASW-SWC for Indian Navy	08
NG OPV for Indian Navy	04
Hybrid Ferry Vessel (100PAX)	07
Hybrid Ferry Vessel (200PAX)	06
Acoustic Research Vessel	01
Multi-Purpose Vessel CORAL 7500	08
Trailing Suction Hopper Dredger	01
Total Platforms	40

During the year, your Company has signed contracts with M/s Carsten Rehder Schiffsmakler and Reederei GmbH & Co. KG Germany for construction and delivery of 08 Multi-Purpose Vessel CORAL 7500. The total contract value is 106.8 million USD. These vessels will advance the idea of "Make in India, Make for World", and marking a key milestone in its global outreach and export capabilities.

The Shipyard also delivered 03 Patrol cum Surveillance Boat to Bangladesh on 03 Jun 2024 and the Autonomous Unmanned Surface Vessel (USV), Jal Doot to Naval Science & Technological Laboratories (NSTL) on 28 Oct 2024.

The Company has delivered its first ASW SWC Ship on 08 May 2025.

The Company has signed the Contract for Construction of two Coastal Research Vessels (CRVs) for the Geological Survey of India (GSI) on 11 Jun 2025.

The Shipyard also completed major milestones on various projects during the financial year as follows:

Commissioning

Sl. No.	Ship	Yard	Date
(a)	02 Survey Vessel (Large), INS Nirdeshak	3026	18 Dec 2024



Delivery

Sl. No.	Ship	Yard	Date
(a)	03 Patrol Cum Surveillance Boat for Bangladesh	-	03 Jun 2024
(b)	2 nd Survey Vessel (Large)	3026	08 Oct 2024
(c)	NG Electric Ferry, DHEU	2120	09 Jan 2025
(d)	USV Jaldoot for NSTL	-	28 Oct 2024

Launching

Sl. No.	Ship	Yard	Date
(a)	Anti-Submarine Warfare Shallow Water Craft (ASW SWC)	3032	25 Oct 2024

Keel Laying

Sl. No.	Ship	Yard	Date
(a)	8 th Anti-Submarine Warfare Shallow Water Craft (ASW SWC)	3034	10 May 2024
(b)	1 st Next Generation Offshore Patrol Vessel (NGOPV)	3037	05 Nov 2024
(c)	2 nd Next Generation Offshore Patrol Vessel (NGOPV)	3038	05 Nov 2024

Start Production

Sl. No.	Ship	Yard	Date
(a)	Ocean Research Vessel (ORV)	-	29 Nov 2024

Contract Signed

Sl. No.	Ship	Yard	Date
(a)	01 No. Acoustic Research Ship (ARS) for Naval Physical and Oceanographic Laboratory (NPOL), DRDO, Kochi, Kerala.	3058	21 Oct 2024
(b)	01 No. Ocean Research Vessel (ORV) for National Centre for Polar & Ocean Research (NCPOR), Ministry of Earth & Science, Gol.	3041	16 Jul 2024
(c)	07 Nos. Hybrid Ferry (100 PAX) for Govt. of West Bengal	2124 to 2130	03 Oct 2024
(d)	06 Nos. Hybrid Ferry (200 PAX) for Govt. of West Bengal.	2131 to 2136	
(e)	04 MPV Export Order with Carsten Rehder Schiffsmakler and Reederei GmbH & Co. KG Germany	3050 to 3053	22 Jun 24
(f)	02 MPV Export Order with Carsten Rehder Schiffsmakler and Reederei GmbH & Co. KG Germany	3054 & 3055	04 Oct 24 and 04 Dec 24
(g)	02 MPV Export Order with Carsten Rehder Schiffsmakler and Reederei GmbH & Co. KG Germany	3056 & 3057	24 Mar 25
(h)	01 No. 58.70 M long 'Trailing Suction Hopper Dredger – TSHD' (Hopper Cap. 1000 m3) with Spare Parts for BIWTA, Bangladesh of Contract Value 16.575 million USD	2121	02 Jun 2024



B. SHIP REPAIR

The Ship Repair Division having commenced independent operation from FY 2021-22 with a yearly revenue of approx. ₹19 crore has witnessed multi-fold increase in the business revenue over past two years. During FY 2024-25, GRSE has aggressively pursued tenders for high value refits of Indian Navy having secured an order book of ₹172.40 crore (approx.). This has been followed by couple of more projects from National Coast Guard Seychelles, Indian Coast Guard and dry docking of M/s TRSL vessels and other commercial ships.

The revenue from Ship Repair activities surged to ₹113.82 crore in the year 2024-25 from ₹92.89 crore in the year 2023-24, reflecting substantial growth and operational efficiency.

C. ENGINEERING DIVISION

The Value of Production (VoP) achieved by the Engineering Division during the financial year 2024-25 amounted to ₹149.79 crore in comparison to ₹167.17 crore in financial year 2023-24.

Portable Steel Bridge Unit

During the financial year 2024-25, the Bailey Bridge unit has achieved a Value of Production (VoP) totalling ₹145.46 crore. This included the production of 102 bridges totalling 7,715 MT, compared to 90 bridges totalling 6,750 MT in the preceding year.

The Company has also exported 14 sets of Bridges to Nepal and Bhutan amounting to ₹27.93 crore (10 sets of Bridges under Ministry of External Affairs (MEA) to Kathmandu, Nepal, 02 Sets of Bridges to Ministry of Infrastructures and Transport, Bhutan and 02 Sets of Bridges to Private Agencies in Nepal) during 2024-25.

During the year, your Company achieved a major milestone through delivery of 13 sets of various spans of Bailey Bridges to PWD Uttarakhand in a short span of only one month to restore immediate and critical geo-connectivity in the flood affected regions of Himachal Pradesh.

Your Company has delivered successfully 13 sets of Double Lane MSBs to BRO under the MOU with DGBR (BRO). The Company has also been successful in delivering 03 sets of Bailey Suspension bridges and 01 set of 230 feet Single Lane Modular Bridges to Project Swastik (BRO) under the MOU with BGBR (BRO). All these strategic bridges helped to restore geo-connectivity in the flash flood affected areas in North Sikkim.

Under R&D initiatives, your Company has completed the design of 60 Meters Steel Through Type Permanent Bridge with collaboration with BERD, Portugal and Design of 400 feet Foot Suspension Bridge. Trial Assembly of both bridges are under progress.

Deck Machinery Unit

The Deck Machinery Unit of GRSE is an ISO 9001-2015 qualified marine deck equipment manufacturing unit. The Deck Machinery Unit has been designing and manufacturing a range of equipment for applications onboard ships over the last three decades. The equipment conforms to the stringent marine operational requirements for certification by Classification Societies (IRS/ABS/RINA) and Defence Quality Assurance. This equipment is performing well on Seagoing Platforms and GRSE also provides pan India support to the Indian Navy and Coast Guard by way of supply of spares and repair assistance through partnerships with reputed engineering firms at all ports in the country. A few products from the existing inventory like Telescopic Hangars, Hangar Doors, Rail based as well as Rail Less Helicopter Traversing Systems, Dock Capstans & Winches are being gradually

phased out based on GRSEs assessment of market trends and future requirements. In lieu, newer equipment and projects have been added to the product portfolio. Some of these include: -

- 30mm Naval Surface Gun for Indian Navy/ Coast Guard.
- Power Distribution Panels (PDPs)
- Marine Valves (Hull & Line)
- Ground Support Equipment for handling MH60R, SK42C and ALH helicopters
- Green Shipping Projects like Methanol Fuel Conversion Retrofits

The Unit has undertaken Factory Acceptance Trials (FATs) for over 27 deck machinery equipment, in addition to Harbour Acceptance Test (HATs)/ Sea Acceptance Test (SATs) across various platforms and locations including Chennai, Vizag, Mumbai, Karwar, Goa and Kolkata.

During the year, the Unit has supplied over thirty-one (31) Nos. of different types of major deck machinery equipment to multiple new construction yards and operational ships of the Indian Navy, in addition to meeting ABER and B&D requirements. The division also achieved several significant milestones and first-time achievements.

Major Evolutions

RLHTS and GSE Integration: The Rail Less Helicopter Traversing System (RLHTS) has been successfully indigenised and proven on all four twin hangar platforms (P15B vessels). SATs with Sealing (SK42C) helicopters, along with Ground Support Equipment (GSE) modified to suit all SK42C version helicopters has been successfully conducted on two P15B platforms i.e. INS Imphal & INS Visakhapatnam. This pioneering achievement is a first of its kind being deployed on a Naval platform across the globe with indigenous GSE fabricated suitably for SK42C and also ALH MK-I helicopters. Additionally, prior to SATs, successful trials of GSE for SK42C were conducted at INS Shikra. The success has been noteworthy, as the SATs were completed without any observations and the earned accolades from the agencies of Indian Navy, having been proved on Survey Vessel Large (SVL) ships apart from P15B.

GSE for MH60R Helicopters: Based on emergent requirement from the Indian Navy to supply GSEs for handling new induction MH60R helicopters, design and development of the Ground Support Equipment has been undertaken. Initial fitment trials on the helicopters at INS Garuda have been satisfactory. Following successful preliminary trials, manufacturing of the GSE has commenced and final trials planned shortly.

Telescopic Helicopter Hanger: A notable milestone has been complete in house design, development, manufacturing and validation of the Telescopic Helicopter Hangar with integrated hangar doors originally planned for import. The system has been placed in-house by way of Factory Acceptance Trials (FATs) followed by successful trials at harbour and sea on three SVL class ships to the satisfaction of Indian Navy. Setting to Work (STW) is in currently in progress on the fourth SVL.



Accommodation Ladder: Accommodation Ladder plays a significant role in readiness of any platform. The development of an in-house accommodation ladder with closure was undertaken for P17A platforms under construction at GRSE. Trials of a fully automated ladder have been conducted successfully at sea on the first P17A vessel at GRSE. The equipment for the remaining two vessels has been made ready for FATs to be followed by Harbour and Sea Trials.

Mooring/ Anchor Capstans: GRSE has been in the forefront for design and development of various capstans & windlasses. Specialised capstans for LST(L)s and all other projects at MDL, GRSE, HSL, GSL have been developed. The DKMC Unit of GRSE takes pride in design, development, manufacturing and providing product support of the largest shipboard mooring capstan of 15T capacity. A contract for three years has been put in place with Indian Navy for providing unhindered support to this equipment. Based on the contract, unhindered support to the Aircraft Carrier (INS Vikrant) is being rendered to all ports.

Deck Cranes: The development of a 3-ton deck crane with telescopic capabilities, boasting a maximum reach of 13 meters, for the Survey Vessel Large (SVL) project has been completed successfully. This crane has been validated on all four SVL vessels and is being used extensively.

Boat Davits: GRSE has contributed significantly to the development of state-of-the-art 3T Boat Davits for ASW-SWC, SVL and NGOPV projects. These Boat Davits have been proved on two of eight ASWSWCs, all four SVLs and FATs for all four ships of the NGOPV project have also been completed.

Marine Valves: In keeping pace with the requirement of construction of multiple new generation warships and other commercial vessels for Indian and Foreign requirements, a project for in-house development of hull & lines valves was started with plans for future production of Type Tested valves. As a pilot project, ten types of valves were selected for design and development. Design and manufacturing of these valves has been undertaken successfully and presently the valves are under Type Testing with IACS involvement through a NABL accredited lab. Major type tests of five valves have been completed successfully, and plans for future production are being worked out.

D. ENGINE DIVISION

The Diesel Engine Plant (DEP) of your Company at Ranchi has successfully delivered the balance eight nos. 1MW DAs of P17A and by these deliveries, all 28 Nos. DAs have been delivered to MDL and GRSE Yard against this project.

DEP Ranchi has also delivered one (01) MTU 4000 series engines to the Indian Coast Guard following the completion of W6 routines and successful Factory Acceptance Trials.

The Engine division achieved a notable Value of Production of ₹50.33 crore during the financial year 2024-25 in comparison to ₹47.90 crore last year.

Bailey Bridge Components are also being manufactured at DEP unit at Ranchi, where Bailey Bridge Division of DEP Unit achieved a VoP of approx. ₹27.29 crore and production of 2,142 MT during the financial year 2024-25.

DEP Unit has enhanced its capacity for testing the MTU engines by completing the upgradation of its existing test bed No.1 for testing MTU engines with capital investment of approx. ₹437 lakh in this financial year 2024-25.

E. NSG PROJECT

The contract for manufacturing and supply of 30 mm Naval Surface Guns worth ₹248.50 crore for the Ministry of Defence (MoD) / Indian Navy was signed on 24 May 23 as a step towards indigenisation of weapon system for Indian Armed Forces

The Gun is being indigenised under Buy (India) Category with 60% Indigenous Content (IC). With the successful indigenisation of the NSG-30 with EOD, GRSE has established a new business vertical. The NSG-30 is a sophisticated, automated and remotely controlled weapon System. GRSE will also participate in the Make-II project for another 97 NSG-30 with EOD spanning over the next 05 years. Talks with the Indian Coast Guard are also in progress for their requirements. GRSE has already entered into an MoU with its collaborative partners for 15 years.



EXPORT INITIATIVES

Your Company is the first Indian shipyard to export a warship, an Offshore Patrol Vessel to Mauritius in 2014. GRSE also exported a Fast Patrol Vessel 'SCG PS Zoroaster' to the Govt. of Seychelles and completed its Guarantee Refit & Dry Docking (GRDD) on 31 Mar 22. Your Company also exported 01 No. Ocean Going Vessel (OGV) to Republic of Guyana at a value of 12.73 Million USD. Recently, 06 Patrolling and Surveillance Boats have been delivered to Bangladesh at a value of 1.82 million USD.

Your Company has taken initiatives to export Naval ships to the friendly foreign countries and has identified SAARC, ASEAN, African & Latin American countries. Countries such as Bangladesh, Guyana, Philippines, Seychelles, Malaysia, Mauritius, UAE, Vietnam, etc. are in focus. Further, GRSE regularly supplies Portable Steel Bailey Bridges and its components to the neighboring countries such as Nepal, Bhutan, and Bangladesh. Efforts are on to further enhance the export of Bailey Bridges and their components to other friendly foreign countries as well.

During FY 2024-25, your Company has generated revenue (VoP) of ₹73.63 crore from export orders which includes ₹19.28 crore from Shipbuilding, ₹26.42 crore from Ship Repair and ₹27.93 crore from the Bailey Bridges.

Your Company is presently executing the following Export Orders:

- (a) 01 No. 58.70 M long 'Trailing Suction Hopper Dredger – TSHD' (Hopper Cap. 1000 m3) with Spare Parts for BIWTA, Bangladesh of Contract Value 16.575 million USD.
- (b) 08 Nos. 7500 DWT 'Multi-Purpose Vessel – MPV' for M/s Carsten Rehder Schiffsmakler and Reederei GmbH & Co. KG, Germany worth of Contract Value 106.8 million USD.
- (c) 16 Nos. Pre-Fabricated Portable Steel Bridge worth ₹11.44 Crore from Bhutan.

ORDER BOOK POSITION

The total order book position of your Company for the three (3) divisions as on 31 Mar 2025 is as follows:

(₹ in crore)

Sl. No.	DIVISION / DEPTS	Closing order Value as on 31 Mar 2025
A	Ship Division	
	Ship (including B&D Spares)	22,259.55
	Ship Repair & AMCs	282.12
	Total Ship Division	22,541.67
B	Engineering Division	
	Bailey Bridge	90.18
	Deck Machinery & Pump	21.59
	Total Engineering Division	111.77
C	Engine Division	27.31
	Total (A+B+C)	22,680.75

NEW INITIATIVES

To foster long-term business growth and embrace new technologies, your company has taken up following major initiatives through signing of Memorandum of Understanding (MoUs) during FY 2024-25:

- M/s Larsen & Toubro Ltd. to optimally develop and utilize indigenous technology that can build commercial vessels for world-wide customers.
- M/s SHM Shipcare Pvt. Ltd., Mumbai to undertake repair/ refits and allied activities of all types of ships & vessels including Naval warships, Coast Guard ships and those of merchant marine both Government as well as privately owned at its Units at Kolkata.
- M/s Merlinhawk Aerospace Private Limited, Bangalore for Collaboration in the development & Manufacturing of composite Doors and Hatches for use in naval ships
- M/s Kerala State Electronics Development Corporation Limited (KELTRON), Thiruvananthapuram, Kerala for collaborative working arrangement for manufacturing and deployment of core and futuristic technologies in various fields to achieve self-reliance in certain areas of Under Water Surveillance.
- NAVAL GROUP S.A., France for co-operation to supply versatile Offshore Patrol Vessels (OPVs) to a Friendly Foreign Country (Bangladesh).
- M/s. Mercury Ship Repairs Pvt. Ltd. Karwar, Karnataka to work together for the purpose of undertaking jobs of ships' refits, and to determine their respective work share in repair jobs.
- M/s Conceptia Software Technologies Pvt. Ltd., Bangalore for Developing Design, Drawings & support for Deck Machinery Product(s) under GRSE Brand Name.
- M/s IOE Offshore Equipment (India) Pvt. Ltd., Pudukkottai, Tamil Nadu For Developing Electro-Hydraulic Drive Deck Machinery Product(s).
- M/s National Highways and Infrastructure Development Corporation (NHIDCL) for supply of Double Lane Modular Bridges and Bailey Bridges for National Highway Projects Pan-India.

RESEARCH & DEVELOPMENT

GRSE executes all R&D projects through carefully chosen industry partners and Institutions after detailed technical discussions covering various aspects of the product including compliances with industry standards. Reputed Academia like IITs and IISC have been GRSE's partners for some of the key R&D projects implemented to date. GRSE also has strategic MoUs with reputed Academia and (Start-ups/MSME) for various developmental activities. GRSE's initiatives to indigenously develop latest technology in collaboration with industry partner have been summarised in the succeeding paragraphs.

GREEN ENERGY TECHNOLOGIES

The use of green/ renewable energy is a major focus area globally. Although, from a purely military perspective the need for adopting green technology in Naval platforms may not be immediately apparent, there are compelling reasons for the same. Besides reduced emissions and contribution to the environment, energy security of the nation, enhanced endurance and reduction in operational costs are key drivers for the Navy to adopt green technologies.

Next Generation Electric Ferry: As a critical first step towards zero emission water transportation and increased use of waterways as envisioned in the Maritime India Vision-2030, your Company has designed and built a largest zero-emission 150 Pax fully electric ferry, first of a kind in the country with potential to replace the conventional diesel engine driven ferries. This indigenously developed de-novo design was further optimised and validated at IIT Kharagpur. This electric ferry is a revolutionary measure in reduction of Carbon Emission in the water transportation sector. This new generation ferry was built and outfitted in compliance with applicable provisions and regulations of the Classification Society, Indian Register of Shipping (IRS). The order for one such ferry has been received from the Government of West Bengal and GRSE has successfully delivered the vessel to the Govt. of West Bengal in Jan 2025. The Company has received an order for design & construction 13 such vessels from Government of West Bengal.



Hydrogen Fuel Cell Ferry: GRSE is working with the industry to modify the design of the zero-emission electric ferry by integrating the same with indigenously developed Hydrogen Fuel Cells. The Hydrogen Fuel-based Ferry project has reached a significant milestone with the completion of its concept design. The hydrogen fuel cell-powered ferry has received Approval in Principle (AIP) from the Indian Register of Shipping (IRS) for a 100-passenger vessel. The ferry will utilize electric propulsion powered by hydrogen fuel cells, offering an endurance of more than 30 kilometres on a single fuelling. The Indian Navy and the Directorate of Marine Engineering (DME) have issued a Preliminary Staff Requirements (PSR) for the development of a 50-passenger ferry with an extended endurance of 100 nautical miles. GRSE has submitted

its comments on the PSR and the RFI response in December 2024 and is currently awaiting feedback from the Indian Navy regarding the next steps in the project development. This initiative aligns with India's push toward sustainable maritime transport, leveraging hydrogen fuel cell technology to minimize environmental impact and enhance operational capabilities.

Green Tug Transition Plan: GRSE is also working on design of hybrid tugs to facilitate ports to meet the Government of India's Green Tug Transition Plan (GTTP). The GTTP is a strategic initiative aimed at transforming India's port operations with sustainable and energy-efficient tugboats. The plan mandates the operation of fully electric tugs, with initial deployments set to commence in all major ports by 2025. The objective is to achieve at least 50% conversion of all tugs into green tugs by 2030. A technical solution has been developed, incorporating indigenous electric motors, energy storage systems (ESS), and advanced control systems to ensure optimal performance and efficiency. The adoption of green tugs is expected to significantly reduce carbon emissions, enhance port operational sustainability, and establish India as a leader in eco-friendly maritime solutions. With the timeline and strategy in place, the implementation of GTTP is set to revolutionize the country's tugboat operations, making them more environmentally friendly and technologically advanced.

AUTONOMOUS VESSELS

Autonomous systems are set to revolutionize the maritime sector. With extensive expertise in designing and building complex platforms, GRSE is actively collaborating with start-ups and innovators to develop cutting-edge autonomous technologies. Focused on a triad of fully autonomous vehicles, these initiatives are in an advanced stage of development. With continued support from the Indian Navy through joint technical deliberations and funding, GRSE is well-positioned to deliver operationally ready autonomous solutions aligned with naval requirements.

Unmanned Surface Vessel (USV):

- (a) **Jaldoot USV:** GRSE has delivered a cutting-edge Unmanned Surface Vessel (USV) to Naval Science and Technological Laboratory (NSTL), DRDO on 28 Oct 2024. The above achievement is testament to the efforts of GRSE in nurturing in-house expertise as well as indigenous start-ups. This compact vessel, with dimensions of 1.5m length, 0.8m breadth, and 0.8m height, shall be designed to play a pivotal role in enhancing communication between underwater vessels and a mother ship/shore station.



- (b) **Swadheen USV:** GRSE in collaboration with a start-up has developed Unmanned Surface Vessel (USV) 'Swadheen,' is a 5 m long USV designed specifically to meet the unique needs of the Indian Navy, while also acting as a robust testing ground for future larger and more sophisticated USVs. Swadheen is India's first operational, electric-powered, fully autonomous vessel with capabilities to operate safely in open ocean conditions.



- (c) **ASV MCM Autonomous Surface Vessel for Mine Counter Measures:** The ASV MCM Project is identified for Enhancing Naval Defence Capabilities. In the dynamic realm of naval defence, where technological prowess is paramount, the Autonomous Surface Vessel for Mine Counter Measure (ASV MCM) project emerges as a flagship initiative undertaken by the Indian Navy. This ambitious endeavour represents a paradigm shift in the approach to mine countermeasure capabilities, leveraging state-of-the-art autonomous technologies. The ASV MCM project, approved under the Make - II category, signifies not just a technological leap but a comprehensive strategy to strengthen the nation's defence capabilities. The journey from prototype development to subsequent procurement under the 'Buy (Indian-IDDMM)' category encapsulates a meticulous process aimed at ensuring indigenous excellence in mine countermeasure operations. This venture embodies a synergy between innovation and national security, reflecting the Indian Navy's dedication to self-reliance and cutting-edge defence solutions.

Ship Based Drones: It is understood that Indian Navy is currently operating Radio-Controlled drones from some of its platforms. However, fully autonomous UAVs which can operate autonomously, round the clock from a ship can be a game changer. The UAV currently being developed by GRSE in partnership with a Start-up will be capable of day and night autonomous operations and autonomous recovery on deck, without any manual intervention. The prototype UAV will be able to provide day and night surveillance video feed to a ground control station on the mothership and complete a pre-defined mission autonomously. Range and functionality of the UAV can be scaled / upgraded as required once the prototype testing is completed.

MAKE IN INDIA INITIATIVES

As part of Make in India initiatives of Ministry of Defence through indigenisation efforts, GRSE has made commendable progress by successfully incorporating a high percentage of indigenous content into the ships. In-house design capability, Innovations in technology and strategic partnerships have propelled achieving over 90% Indigenous Equipment Fit for Anti-Submarine Shallow Watercraft (ASW-SWC), 87% for Survey Vessel Large (SVL), and 80% for P17A Frigates. Some of the initiatives are enumerated as under: -

- (a) **Positive Indigenisation Lists (PILs):** In continuous pursuit of self-reliant India and provide opportunity to the domestic industry DDP/MoD has notified Five (05) PILs for DPSUs for which there would be an embargo on the import beyond the timeline indicated against them. GRSE has total 41 items in 5 PILs promulgated by MoD/ DDP and out of which 30 items have been indigenised so far.
- (b) **Indigenisation Portal (SRIJAN Defence Portal):** To promote indigenisation initiatives of DPSUs & Services and encourage private entity, SRIJAN Defence Portal was launched by MoD on 14 Aug 20. As on date, GRSE has uploaded 57 items in the portal (including 41 PIL items & 16 Non PIL Items), which were earlier imported or indigenous vendors not available, have been displayed on the portal. So far, GRSE has successfully indigenised 39 items (30 PIL & 9 Non PIL item).
- (c) **Implementation of Make-II:** As per directive of the DDP/ MoD and as approved by the Board of GRSE, a "Framework for implementation of 'Make-II' procedure at GRSE" was adopted in the GRSE's Procurement Manual on 09 Jul 19 (Industry funded prototype development). As on date, GRSE has 7 items identified under Make-II initiatives and out of them 4 items have been successfully indigenised. As per directive of DDP/MoD, granular level plan with tentative timelines for ongoing project submitted on 18 Mar 25.

Some of the key items indigenised under DDP/MoD PIL for the period from 01 Apr 2024 to 31 Mar 2025 are enumerated below:

- (a) **AI Enabled Welding Helmet.** GRSE in collaboration with M/s Zeekers has designed & developed a prototype of AI Enabled Welding Helmet to give the welder real time feedback on quality of weld and required corrective action, the helmet provides real time display of welding parameters like Voltage, Current, traverse speed, electrode stick out etc. for immediate corrective control by welder during MIG & TIG welding processes.



- (b) **Flexible Rod Gearing for Valve** consists of a high-performance valve coupler with or without rising stem, valve geared actuators, flexible shaft and a deck box / handle operator with Indicators as options. This flexible rod gearing is the new innovation which enables control of fluid flow in valves through the envisaged control location without hampering/interfering auxiliary items in proximity.
- (c) **13M Patrol Boat for Sustainable coastal and Marine Fisheries project.** The construction of the 13m Patrol Boats was undertaken as part of a bilateral agreement between India and Bangladesh. The successful delivery of the 13m Patrol Boats by GRSE to Bangladesh reinforces GRSE's position as a reliable defence exporter.

INNOVATION

GRSE Accelerated Innovation Nurturing Scheme: GRSE launched the second edition of GRSE Accelerated Innovation Nurturing Scheme (GAINS), GAINS-2024 by the Hon'ble Raksha Rajya Mantri, Shri Sanjay Seth. The Open Challenge received an overwhelming response with 66 responses received from innovators across the country, from which 10 promising proposals were selected for detailed evaluation. After a rigorous selection process involving detailed technical deliberations and discussions with the innovators, proposals received from M/s IIT Guwahati Technology Innovation and Development Foundation (IITG TI&DF), and M/s Cloudmetica Technologies, have been declared winners of GAINS 2024 and were awarded with formal development contract and being funded by GRSE.

IDEX Projects of GRSE: GRSE is actively working with various start-ups selected through IDEX route and co-developing following products / solutions:

- Design of Active Roll Stabilization (System for Naval Ship (DISC -05)
- AI Enabled Welding Helmet (DISC-06)
- Implementation of Industry 4.0 without Wi-Fi Connectivity (DISC-09)
- Heavy Duty Non-Slip Epoxy Wearing Surface for Modular Steel Bridge (DISC-10)

Intellectual Property Right (IPR): To maintain national sovereignty and achieve military superiority framework, the "Mission Raksha Gyan Shakti" (MRGS) was instituted in 2018 by the Ministry of Defence. This impetus from Ministry has become key driver, stimulating innovation as well as ingenuity in the GRSE ecosystem. GRSE has filed 202 IPRs (198 IPRs post MRGS launching) out of which 110 IPRs are granted (19 Patents, 74 copyrights & 17 Trademarks) as on date. GRSE has trained 1420 personnel including own employees as well as private vendor on IPR awareness till date.

Implementation of Industry 4.0 & QA 4.0: GRSE has embarked on a journey to embrace Industry 4.0 (or Shipyard 4.0) with the aim of transforming its operations, increasing competitiveness, and achieving sustainable growth. Based on the typical nature of operations and need to adhere to IT security compliance requirements, the shipyard has opted to go in for a stage wise implementation rather than attempting a pan yard approach across all operational. New initiatives towards implementation of I 4.0 and QA 4.0 is an ongoing process at GRSE. The Projects are as follows:

- i) Online Bill Processing System (OBPS)
- ii) Online Vendor Registration Portal (OVRP)
- iii) Robotic Welding in shipbuilding fabrication

- iv) Robotic Painting of Outer Hull
- v) Development of software for AI Enabled Material Code Generation
- vi) Tab based Online Inspection Monitoring System (OMS)
- vii) Version 2 of AI Enabled Automatic Weld Defect Identification System
- viii) Extended application of Phased Array Ultrasonic Testing

INFRASTRUCTURE AND TECHNOLOGICAL MODERNIZATION

In continuation of thrust on infrastructure modernisation & technological upgradation in line with the functional & production necessities, the Company has spent ₹68 crore as a part of CAPEX investment during the year 2024-25. Some of the major facilities created/modernised during FY 2024-25 and currently in progress are as under:

- (a) **New Steel Stockyard at RBD Unit:** Creation of New Steel Stock Yard along with installation of Gantry Crane at RBD has been completed.
- (b) **Construction OF Dehumidifier room at RBD:** Creation of dehumidifier room of approx. 864 Sqm has been completed at RBD unit.
- (c) **Refurbishment of Shops & Stores:** Refurbishment of major Shops & Stores at RBD, 61-Park & Taratala Units has been completed by replacing old asbestos sheet with metal sheet, structural strengthening and allied jobs.
- (d) **Rooftop Solar Plant:** As a part of green energy initiative for reducing the impact of atmospheric climate change, 550 kWp roof top solar power plant has been commissioned in this year at 61P (400 kWp) and Taratala Unit (150 kWp). With this, the total capacity of rooftop solar plant of the Company is now 2800 kWp i.e. 2.80 MWp, which is more than 50% of total agreement load.
- (e) **Remodelling of Gates at Main:** In order to achieve better aesthetics with modern look, enhance safety & security and for efficient pedestrian/vehicular movement, Remodelling of Gate-1 & Gate-2 was completed during April 2024.
- (f) **Construction of hardstand at FOJ:** Creation of approx. 3200 Sqm concrete hardstand at FOJ has been completed to increase the production capacity.
- (g) **Tower Cranes:** To facilitate outfitting work of ships, installation of Tower Cranes on Dolphin Jetty at Main and on Ganga & Hooghly Jetty at RBD are in progress. EDC: Aug 2025
- (h) **Concrete Hardstand at RBD Unit:** Creation of approx. 12000 Sqm concrete hardstand at RBD for production activity is in the verge of completion. EDC: Jul 2025
- (i) **Ship launching pad for Commercial Ship at RBD Unit:** Construction of ship launching pad of approx. area 10216 Sqm for commercial ship building at RBD unit is near to completion. EDC: Jun 2025.
- (j) **EOT Cranes:** Installation of 4 Nos. 10T EOT cranes at 61 P is in progress which will increase the production capacity. EDC: Jul 2025.
- (k) **Asbestos Free GRSE:** Tender has been floated to replace the remaining asbestos shed of Kolkata based units with metal sheets to make GRSE completely asbestos free. EDC: Mar 2026.

FUTURE OUTLOOK

A strong order book for design and construction of Warships for Indian Navy along with non-defence platforms at this juncture holds exciting times ahead for GRSE. With all the policy initiatives taken by the Government of India in the recent times for encouraging & supporting 'Atmanirbharta', the overall scenario for warship building looks quite positive in coming years. The defence shipbuilding segment continues to look promising on account of ambitious acquisition plan of the Indian Navy and Indian Coast Guard which is quite encouraging for the Indian Shipbuilders and the entire eco-system. A number of Request for Proposals (RFPs) for various shipbuilding projects have been floated by the MoD during last one year and some more are expected to come out in the near future. GRSE also plans to enter in to the highly competitive commercial shipbuilding segment in order to address domestic as well as global demands for ships. Your company has identified Ocean going Ferry (Cargo + Passenger), Multi-purpose Vessels, Tugs, Dredger, Barges, and E-Ferry as targeted non-defence products to promote Export Market in Friendly Foreign Countries (FFCs). The shipyard has made significant breakthrough in commercial shipbuilding by securing export orders for construction of 01 advanced Dredger for Bangladesh as well as 08 Multipurpose Vessels for Germany.

It is a good opportunity for the company to become part of global value chain to meet our vision of becoming global player in Shipbuilding. Our willingness to adopt latest technologies and modern tools in various areas of operations would play a significant role in improving efficiency, quality and productivity of the Company. The company has taken steps to adopt Industry 4.0 practices in its core areas of functioning.

GRSE has strengthened its green energy footprint with inauguration of another 400 kWp capacity at 61 Park Unit and 150 kWp capacity at Taratala Unit during FY 2024-25. With this the total capacity of rooftop solar plants at GRSE is now 2800 kWp which is 70% of agreement load of 4MW. GRSE plans to install new Roof-Top Solar Plants of 250 kWp capacity at DEP Ranchi Unit during FY 2025-26 as continual enhancement of the solar power plant capacity as part of its Green initiatives.

GRSE delivered India's largest "Fully Electric 150 Passenger Catamaran Ferry - DHEU" to Government of West Bengal on 09 Jan 25. This Zero-Emission Electric Passenger Catamaran Ferry revolutionised passenger transport across River Hooghly as well as National Waterways – 1. Consequently, your company received Orders for supply of 07 Nos. 100 PAX and 06 Nos. 200 PAX Hybrid Ferries from Water Transport Dept. Govt. of West Bengal during FY 2024-25. During FY 2024-25, GRSE also received Order for supply of 01 No. Acoustic Research Ship (ARS) for Naval Physical and Oceanographic Laboratory (NPOL), DRDO, Kochi, Kerala and 01 No. Ocean Research Vessel (ORV) for National Centre for Polar & Ocean Research (NCPOR), Ministry of Earth & Science, GoI. GRSE is also working on several projects incorporating new technologies such as Unmanned Surface Vessel, Autonomous Underwater Vessel, Ship based drones, Green platforms etc.

Your Company's major future plans for steady business growth and stability are as follows:

- (a) To become a Global player by increasing export footprint by looking at the entire operations from the view point of cost, delivery time, quality & credibility. In this regard, GRSE is actively pursuing all avenues to increase geo-strategic reach for exports of defence as well as commercial ships to friendly foreign countries.

The current export orders, as a result of aggressive marketing strategy in the last few years has now allowed GRSE to gain a foothold in the export market, especially in Europe.

- (b) Continuous endeavour towards assessment of tentative & likely opportunities from the Indian Navy, Indian Coast Guard, Indian Army, BRO, Ministry of Home Affairs, Ministry of Earth Sciences, National Centre for Polar and Ocean Research, Naval Physical and Oceanographic Laboratory, Inland Waterways Authority of India, Shipping Corporation of India, Kochi Water Metro, Government of West Bengal and other State Governments over the next five Years.
- (c) Your Company also senses a huge opportunity in the Govt's drive to increase the share of Indian built and Indian flagged ships that will carry out our maritime trade. Newbuild projects catering for more than 100 ships, feeding Oil, fertiliser and steel industries are expected in the near future. GRSE has prepared itself through ramping up of design and construction resources to capitalise on this demand.
- (d) To meet the growing demands of the defence and commercial shipbuilding sectors, GRSE has envisioned the establishment of a state-of-the-art greenfield shipyard outside Kolkata by 2028 to enhance in-house capacity. This expansion is necessary to overcome the inherent limitations of its current riverine shipyard. GRSE is concurrently exploring potential options on East and west coast, in addition to acquiring parcels of land in West Bengal, with higher tidal depths availability.
- (e) Your Company believes that innovation in the production processes coupled with enhanced efficiency and optimum utilisation of resources is the key to reduce production costs. The Company intends to leverage its design, engineering and manufacturing capabilities to improve its procurement and production processes.
- (f) Your Company has also planned to further strengthen and expand the refit & repair business verticals and is actively targeting orders from the Indian Navy, Indian Coast Guard, Ministry of Home Affairs, Govt. of West Bengal, Odisha and Tamil Nadu for AMC & Refits of GRSE built vessels & vessels of other companies.
- (g) Towards diversification, growth of the Engineering and Engine business segments is also being aggressively pursued. GRSE continues to expand its footprint in the manufacture of modular and portable steel bridges, such as Bailey-type and advanced pre-fabricated variants, which are crucial for defence, disaster relief, and remote connectivity. This includes indigenisation efforts towards Medium Speed engines and shafting/propellers.
- (h) Your Company is steadily building on the successful development of prototypes of Autonomous Vessels, as also widening our footprint in green vessels, especially ferries and tugs. These verticals are expected to create a niche in these areas and capture a significant share of the domestic market, as well as provide export opportunities.
- (i) GRSE has also embarked on a strategic initiative to design, develop, and manufacture Naval Surface Guns and other artillery systems to meet the Indian Navy's evolving needs. Going forward, GRSE expects a steady order book on this front.

VENDOR DEVELOPMENT INITIATIVES WITH EMPHASIS ON DIVERSITY, SUSTAINABILITY & INCLUSIVITY

GRSE continues to foster a paradigm where vendors are treated as integral extensions of the enterprise rather than independent entities. Our vendor ecosystem reflects the principles of supply chain resilience and sustainable growth.

The company's Vendor Development Policy is geared toward cultivating a robust and diverse supplier base by expanding the vendor pool within existing verticals and aligning with future business needs. This approach enhances supply chain efficiency and adds significant value to productivity. GRSE conducts a series of online and offline vendor development programs throughout the year to identify and onboard capable partners.

To enhance ease of doing business, GRSE has developed an Online Vendor Registration Portal, providing accessible remote onboarding for potential vendors. The portal has seen strong adoption, with hundreds of applications already submitted and many more in the pipeline. The streamlined and transparent registration process has significantly reduced turnaround time.

Quality vendor assessment remains a cornerstone of our development process. GRSE's internal teams conduct detailed evaluations, including site visits, to establish reliable partnerships. This effort aims to shorten lead times, foster innovation, and build capabilities aligned with GRSE's pursuit of excellence in shipbuilding.

GRSE actively promotes awareness of the mutual value created through vendor partnerships. The company regularly participates in nationwide industry forums organized by esteemed bodies such as ICC, BCCI, MSME-DFO, IIF, NSIC-NSSHO, EEP, IEEMA, IIM Indore, BGBS, NPC, DCCI, FOSMI, DGQA, and others across various states including Tamil Nadu and West Bengal.

Initiatives such as a robust vendor grievance redressal mechanism, online bill processing, and vendor performance evaluation contribute to enhanced transparency, trust, and alignment with global best practices.

In line with Government of India directives, GRSE places special emphasis on onboarding MSMEs, including those led by SC/ST and Women entrepreneurs. Notably, GRSE has met its targets under the MSME Public Procurement Policy for FY 2024-25, achieving 25% procurement from MSEs and 3% from Women-owned MSEs.

During the financial year 2024-25, your Company procured items worth ₹1320.81 crore from the MSEs, which is approx. 73.9% of the total annual procurement value (considering exclusions as applicable for MSEs). The list of items reserved for procurement from MSEs is available on your Company's website at <https://grse.in/policies-for-msme/>.

GRSE is registered on the TReDS platform launched by the Reserve Bank of India, enabling seamless financing and discounting of MSME trade receivables through multiple financiers.

As a Defence PSU, GRSE actively engages with the India Defence Mart (IDM) for mapping indigenous defence manufacturers and the Sambandh Portal for quarterly tracking of procurement from SC/ST MSEs.

GOVERNMENT e-MARKETPLACE (GeM)

Since inception of the Government e-Market (GeM) (from 2017), Your company has consistently achieved high target procurement volume of ₹ 1,599.06 crore on GeM during financial year 2024-25.

INFORMATION TECHNOLOGY

Your company has a robust IT system and all the key business processes such as Supply Chain, Finance, HR, Payroll, Vendor Management, and Plant Maintenance have been seamlessly integrated into SAP ERP. This includes establishing a state-of-the-art on-premise Data Centre in Kolkata and a Disaster Recovery Centre in Mumbai. Further, the company employs advanced technologies like AVEVA CAD, VR LAB, and PDM-PLM to enhance design operations.

Cyber Security is accorded adequate impetus with a well-defined organizational structure headed by the Chief Information Security Officer (CISO). The company has implemented secured intranet LAN separated from ILL-based internet LAN across all units, conducted comprehensive Cyber Security Enhanced Awareness Training, and centralized SAP-ERP management to optimize IT infrastructure efficiency. Additionally, the company facilitates remote work through secure VPN access and high-end Video Conferencing solutions. The Company also has company-wide comprehensive CCTV surveillance system ensuring effective monitoring, control and enhancing safety and security measure.

HUMAN RESOURCE & ADMINISTRATION

Manpower

The total Manpower strength in the payroll of the Company as on 31 Mar 2025 (AN) was 1,690 including 488 Board level & below Board level Officers and 109 Supervisors on regular roll, 23 Officers and 64 Supervisors on Fixed Term contract.

Statements showing the representation of SC/ ST/ OBC / PWD / Women, etc., as on 31 Dec 2024 as well as the total recruitment made during the period from January to December 2024 are given at Appendix "A & B" of this report.

Further, in accordance with Ministry of Corporate Affairs Notification dated 05 Jun 2015, Government Companies are exempted from the provisions of Section 197 of the Companies Act, 2013 and its rules thereof.

Industrial Relations

Industrial relations during the period across all Units of the Company including DEP, Ranchi was remained peaceful.

The elections for recognition of Sole Bargaining Union for operative category of employees were conducted on 27 June 2024. The election was conducted by the Office of the Registrar of Trade Unions, Government of West Bengal.

The Management and GRW Ltd. Clerks' Union finalized the revised Promotion policy for Office Assistant category of employees. Upon receipt of Board approval, GRSE Office Assistant category of employees Promotion Rules - 2024 was circulated on 24 Dec 2024.

The approval of the Board of Directors for implementation of Premature Retirement Scheme through Special Committee in respect of Unionized employees in line with FR(56)(I) of CCS (Pension) Rules 1972 after amending the Certified Standing Orders of Unionized category of employees for West Bengal based Units and DEP Unit, Ranchi obtained and the scheme has been promulgated effective from April, 2025 onwards.

Human Resource Development

The Company has undertaken various initiatives to enhance the efficiency of the workforce in an atmosphere that encourages pursuit of individual excellence and cohesive teamwork. In FY 2024-25, your company has prepared and implemented a well-defined Annual Training Plan covering technical, leadership, managerial effectiveness, functional, cross-functional and behavioural competencies, and development topics for all categories of employees. During the year, 4,000 training man-days (approx.) were achieved through various training programmes conducted by nominating participants in various online and offline workshops/ conferences/ webinars organised by external agencies/training providers in India. In-house training programmes were also conducted by inviting faculty/ trainers from reputed institutions/agencies, as well as through in-house faculty.

Employee Engagement Initiatives

(A) GRSE DAY CELEBRATION

The 66th GRSE Day was celebrated on 19 April 2025. 'GRSE Shri' and 'CMD's Commendation' awards were conferred to employees for their outstanding performance in the year 2024. Further, GRSE Merit Awards were given to the employees' children who excelled in their academic performance in the year 2023-24. An added attraction of the event was the unveiling of the new logo of GRSE. 'GRSE Varta 2025', an Annual In-House Journal and Hindi magazine of GRSE 'Rajbhasha Jagriti' were also released on this occasion. Six employees who retired between 01 April 2024 to 31 March 2025 and completed 40 years of service were also felicitated. 61 Park Unit was adjudged as the cleanest unit and conferred Swachh Unit Award.



GRSE DAY AWARDEES

(B) CELEBRATION OF GRSE FAMILY DAY "AHOBAN"

AHOBAN is a day filled with joy and gaiety for recreation of the entire GRSE family. The family members eagerly wait for this annual event. This year AHOBAN was held on 19 Jan 2025 (Sunday) with well thought-out events for each and every family member of GRSE employees. Around 1,200 employees and their family members participated in this event.

**AHOBAN - 2025****(C) VANITA 2025: International Women's Day**

GRSE reaffirmed its unwavering commitment to women's empowerment by organising the "Vanita - A Day-Out Programme", as part of the International Women's Day celebration on 12 March, 2025. The event brought together the women employees of GRSE to connect and celebrate.

The event featured various group activities and captivating cultural performances, fostering camaraderie and enjoyment amongst all participants.

**VANITA 2024**

(D) OUTBOUND TEAMBUILDING PROGRAMMES

Outbound Teambuilding Workshop for officers in senior management level (Chief General Managers and General Managers) was conducted towards building harmonious intra-team relationships as well as achieving better inter - departmental cohesiveness for enhanced accomplishment of organizational goals.



Outbound Teambuilding Workshop for Officers - Connecting with other through Heart

(E) LEADERSHIP DEVELOPMENT PROGRAMMES

- (a) Orientation Programme for Capacity Building of Functional Directors of CPSEs was conducted. This was aimed to enhance the skills of functional directors in fields of corporate governance, finance, risk management, strategic management etc.
- (b) Advanced Leadership Development Programme - Women Leading the Way on the theme "Rise with Pride: Evolve Enrich Empower" was conducted for woman officers of the Senior Management. The program addressed the systemic biases and disparities that hinder women's advancement and equipped the participant with the skills, knowledge, and mindset necessary to thrive as leaders in today's competitive business landscape.
- (c) Mid-Career Training Program on "Leading and Managing in the 21st Century" was conducted for officers who were promoted in the rank of Deputy General Managers and Senior Managers.
- (d) Management Development Program was conducted for newly inducted Assistant Managers in which they were groomed in areas of Personality Development, Managerial Skills, Softskills, Teambuilding etc.



Mid-Career Training Program on "Leading and Managing in the 21st Century"



Management Development Program for newly inducted Assistant Managers

(F) ADVANCED TECHNICAL TRAINING PROGRAMMES

GRSE executives were imparted technical upgradation training conducted by reputed training providers in India on topics like NACE (National Association of Corrosion Engineers) Coating Inspector Program (Level-1); Marine HVAC (Heating, Ventilation and Air Conditioning), Project Management, NDT (Non-Destructive Testing) Methods etc.

(G) APPRENTICE TRAINING

The company has a dedicated Apprentice Training Department named Technical Training Centre for conducting Apprenticeship training at Taratala Unit. The company has trained 196 apprentices during FY 2024-25 wherein the Apprentices were engaged under Trade Apprentice, Graduate Apprentice and Technician Apprentice categories and their total strength was approx. 12% of total manpower strength. Apart from the technical training, various development programmes were conducted for overall personality development of the apprentices. Safety awareness training sessions were conducted for all apprentices before they were placed for on-job-training in the yard.

(H) ANNUAL HEALTH CHECK-UP FOR EMPLOYEES

The annual health check-ups was organized for the employees and 96.84% employees (1590 nos.) employees benefited from this initiative.

(I) REVIEW AND REVISION OF HR POLICIES

Keeping in view the organizational requirement, HR policies are reviewed for talent acquisition, talent management, welfare and career progression of employees. The Company has formulated policies for Time on Task, Internship Scheme, implementation of NPS in GRSE Superannuation Pension Scheme, Prevention of sexual harassment of women at workplace and Guidelines for dealing with Accidents/ Injury inside Factory. In addition, a number of existing policies such as Attendance policy, Recruitment and Promotion Rules for various category of employees were reviewed and revised as per organizational requirement.

(J) PERSONS WITH DISABILITIES (PWD)

The Company extended all necessary relaxations /concessions to the employees with disabilities as per the Statute / Govt. directives.

(K) EMPOWERMENT OF WOMEN

The women representation is 5% of the total strength in the Company at the end of FY 2024-25. During 2024, out of total recruitment of 89 employees, 03 were female employees which is 3.4%.

SAFETY AT WORK

The Shipyard has strived to ensure safe working environment at the company, and in order to achieve the goal, systematic approach to safety management has been adopted through close monitoring and implementation of safety norms and procedures at work place. Your company has achieved a safety frequency rate of 2.72 (for permanent workers) and 0.29 (for contractor workers) during the year 2024-25.

In order to maintain high safety standard, your Company has imparted system-based Safety Training to all employees including contractor employees through Group Safety Training Kiosk (GSTK), where 300 batches (approx.) of Safety Awareness Programme on different topics like Material Handling, Hot Work, Electrical Safety, Painting Activity, Height Work Activity, Work at Confined Space etc. have been organized at Main, FOJ and RBD unit.



Safety Mock Drill

INDUSTRIAL SECURITY

GRSE is a Public Sector Undertaking functioning under the administrative control of the Ministry of Defence, Govt. of India. The shipyard has been declared a "Prohibited Place" under the Indian Official Secret Act 1923. Sec-2 clause 8 sub clause (a) published under Govt. of West Bengal Gazette Notification Bo. 2145/ (I) (7)-P dated 30th Mar 2004. It is also placed in Category 'A' i.e. "Highly Sensitive" from security point of view by the IB, Ministry of Home Affairs.

The physical security of the production units of our Company has been entrusted to the Central Industrial Security Force (CISF). Further, twenty-four hours water-front patrolling with armed personnel and a robust CCTV system covering all critical and important locations are in place. The Entry / Exit of all employees is being done through Facial Recognition System. The Police Clearance Certificate of all Contractor Labourers are being obtained before issue of the Gate Pass.

OFFICIAL LANGUAGE

GRSE is committed to adhere to the Official Language (OL) policy of the Government of India (GoI). During the year 2024-25, the Company has achieved the various targets prescribed in the Annual Programme 2024-25 issued by Dept. of OL, Ministry of Home Affairs (MHA), GoI, to transact official work in Hindi. The efforts made towards implementation of Official Language include:

- (a) **Hindi Month Celebrations:** Hindi Month and Hindi Day were observed during September-October month in all the Units and Offices of the Company. During the Hindi month, employees of the Company participated enthusiastically in various programs and competitions.
- (b) **Official Language Implementation Committee:** Official Language Implementation Committee (OLIC) meetings were conducted on quarterly basis under the chairmanship of Chairman & Managing Director, to review the progress made by various departments.
- (c) **Incentives:** Incentive Schemes are propagated among all employees and number of employees who took part in these schemes were awarded with cash prize.
- (d) **Hindi competitions outside the Company to encourage the use of Hindi:** Use of Official Language is not restricted within the four walls of GRSE but is also publicized outside the Company by conducting Hindi competitions. A Hindi Quiz competition was conducted in Arya Parishad Vidyalaya, Khidirpore, a Hindi Slogan writing competition was organized at Calcutta University and a Hindi Essay writing competition was conducted in Sanghmitra Vidyalaya, Kolkata & prizes distributed to deserving students.
- (e) **Hindi competition under the aegis of TOLIC:** GRSE organized Hindi Travelogue/memoir writing competition under the aegis of Town Official Language Implementation Committee in GRSE Bhawan for the member organizations of TOLIC on 19 Dec 2024 in which a large number of Nominated employees from PSUs participated.
- (f) **Rajbhasha Awards:**
 - (i) **TOLIC RAJBHASHA SHIELD:** Rajbhasha Shield has been awarded to GRSE for Excellence in Implementation of Official Language in the company by Town Official Language Implementation Committee (PSU), Kolkata. The award presented by Honourable Chairman of TOLIC was received by Director (Personnel) of GRSE at a grand ceremony held at Kolkata on 28 Aug 2024.

- (ii) **TOLIC Active Participation Award:** Active Participation Award has been awarded to GRSE for the year 2024-25 by Town Official Language Implementation Committee. The Award presented by Honourable Chairman of TOLIC was received by GRSE at a ceremony held at Kolkata on 22 Jan 2025.
- (iii) **Prizes in Various Inter-PSU Hindi Competitions:** GRSE employees have made us proud by winning 02 different prizes in various hindi competitions organized by different PSUs during the year 2024-25 under the aegis of TOLIC (PSU), Kolkata.
- (iv) Mgr (OL) has been awarded **appreciation letter** by TOLIC for Excellence in Implementation of Official Language in the GRSE.

AWARDS & RECOGNITIONS

During the year, your Company has received various awards and recognitions. Some of the important accolades conferred to the Company are as under:

- (a) **Award on 'Artificial intelligence':** GRSE received the award in 'Artificial Intelligence' category for implementing "I-weld inspector" an AI based software to examine radiography film and detect faults, in the PSE summit of Indian Express Group at Jaipur from 14-15 Jun 24.
- (b) **Sustainable Governance Champion Award.** GRSE received 'Sustainable Governance Champion Award' at Outlook Planet Sustainability Summit 2024 on 24 Jun 24.
- (c) **CSR Times Awards 2024.** GRSE received two prestigious awards at 'CSR Times Awards 2024' on 23 Aug 24 at Goa in the categories of 'Healthcare' and 'Skill Development'.
- (d) **Safety, Health & Environment (SH&E) Excellence Award 2024.** GRSE received prestigious 'SH&E Excellence Award 2024' by Confederation of Indian Industry (CII) on 22 Aug 24 for Industrial Safety, Health & Environment.
- (e) **Best CFO Award.** Director(Finance), GRSE received 'Best CFO Award' from Dalal Street Investment Journal (DSIJ) 2024 in the month of Aug 24 for the category 'Best Returns' (MID CAP).
- (f) **Swachhata Pakhwada Awards.** GRSE received Swachhata Pakhwada Awards – 2023 (administered by DDP, MoD) on 01 Aug 24, securing 2nd position.
- (g) **TOLIC Rajbhasha Shield.** The prestigious 'Rajbhasha Shield for FY 2023-24' was awarded to GRSE by the Chairman, Town Official Language Implementation Committee (TOLIC) during a presentation ceremony held at Kolkata on 28 Aug 24.
- (h) **CHRO of the year Award 2024.** Director (Personnel) of GRSE, DIG Subrato Ghosh, ICG (Retd.) received prestigious 'CHRO of the year Award' on 19 Sep 24 at 23rd Asia Pacific HRMC Awards 2024 ceremony at Bengaluru.
- (i) **Best Use of Emerging Technologies Award.** GRSE received the prestigious 'Best Use of Emerging Technologies Award' in 9th Governance Now PSU IT Awards 2024 on 26 Sep 24 at Delhi.
- (j) GRSE received CII Industry-Academia Awards 2024 on 12 Dec 24 in the "Top Industry Excelling in Industry-Academia Partnership 2024" category for its innovative New Generation Electric Ferry.
- (k) GRSE received 14th ICC PSE Excellence Awards 2024 in two categories on 23 Dec 24.

- (l) **WIPS Award 2025.** GRSE received 'Women in Public Sector' (WIPS) award 2025 at the 35th National Meet of WIPS at New Delhi from 17-18 Feb 2025.
- (m) **11th Governance Now PSU Awards.** GRSE received three awards in the 11th Governance Now PSU Awards on 28 Feb 2025 for Excellence in Leadership, Financial Performance and Communication Outreach. The Leadership award was conferred to CMD GRSE and GRSE ranked 1st and 2nd in the categories of overall Financial Performance and Communication Outreach respectively.



CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of corporate governance in all spheres of business operations and continues to lay strong emphasis on transparency, accountability and integrity. Your Company complies with the applicable regulations under the Companies Act, 2013, the SEBI Listing Regulations and also the Guidelines on Corporate Governance for CPSEs issued by Department of Public Enterprises (DPE), except with respect to the composition of Board of Directors viz. appointment of Independent Directors including a Woman Director. Further, due to inadequate number of Independent Directors on the Board, the Company was unable to reconstitute its Nomination and Remuneration Committee and Audit Committee of the Board of Directors w.e.f. 11 Dec 2024 and 27 Dec 2024, respectively. Furthermore, due to which Audit Committee failed to meet within 120 days of the previous meeting held on 13 Nov 2024.

GRSE being a Government Company, the power to appoint Directors vests with the Government of India and the Company has made necessary intimations to the Administrative Ministry for filling up the post of Independent Directors including that of a Woman Director. The Company also strives to comply with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Further, DPE Guidelines on Corporate Governance for CPSEs provide that CPSEs would be graded on the basis of their compliance with the Guidelines. DPE has graded GRSE as "Excellent" for the year 2024-25.

In terms of Regulation 34 of the SEBI Listing Regulations and DPE Guidelines, a Report on Corporate Governance along with Compliance Certificate issued by M/s. Maheshwari R & Associates, Company

Secretaries forms part of this Annual Report.

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

The Board of your Company comprises a total of ten (10) directors which includes four (4) Whole-Time Directors, five (5) Part-Time Non-Official (Independent) Directors including one (1) Woman Director, and one (1) Government Nominee Director.

During the year 2024-25, the following changes took place in the Board of Directors and of Key Managerial Personnel (KMP) of your Company:

Sl. No.	Name of Director	Designation	Date of Appointment	Date of Cessation
(a)	Shri Rajeev Prakash	Government Nominee Director	-	11 Dec 2024
(b)	Dr Garima Bhagat	Government Nominee Director	23 Dec 2024	-
(c)	Shri Sanjay Dattatraya Panse	Independent Director	-	27 Dec 2024

DIRECTORS RETIRING BY ROTATION

Pursuant to Section 152(6) of the Companies Act, 2013 and Article 206 and 207 of Article of Association of the Company, Cdr. Shantanu Bose, IN (Retd.), Director (Shipbuilding), who has served on the Board of Directors and the longest amongst the retiring directors, is liable to retire by rotation, and being eligible, offers himself for reappointment.

DECLARATION AND MEETING OF CRITERIA BY INDEPENDENT DIRECTORS

During the financial year 2024-25, the Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013, the Guidelines on Corporate Governance for CPSEs issued by the Department of Public Enterprises and the SEBI Listing Regulations. Further, in the opinion of the Board, the Independent Directors fulfil the conditions prescribed under the SEBI Listing Regulations and are independent of the management of the Company. The Independent Directors of the Company have confirmed that they have registered themselves with the Indian Institute of Corporate Affairs (IICA), and have included their name in the databank of Independent Directors within the statutory timeline and they will also appear for the online proficiency test within the prescribed time, wherever applicable.

MEETINGS OF INDEPENDENT DIRECTORS

During the year 2024-25, a separate meeting of Independent Directors was held on 27 Oct 2024 in which all the Independent Directors were present.

MEETINGS OF THE BOARD

Nine (09) meetings of the Board of Directors were held during the year. For further details, please refer to the 'Report on Corporate Governance'.

REMUNERATION POLICY & EVALUATION OF BOARD'S PERFORMANCE

Your Company is a Government of India company under the Ministry of Defence. The Directors of the Company are appointed by the President of India and their remuneration is fixed in accordance with the DPE Guidelines by the Administrative Ministry. The Articles 194 and 216 of the Articles of Association of your Company also states that the President of India will appoint Directors and determine their remuneration. Since, the Board level appointments are made by President of India, the evaluation of performance of such appointees is also done by the Government of India.

AUDIT COMMITTEE

During the year, the Audit Committee had proper composition in accordance with Section 177 of the Companies Act, 2013, the DPE Guidelines on Corporate Governance for CPSEs, 2010 and the SEBI Listing Regulations except for the period from 27 Dec 2024 to 31 Mar 2025.

For further details, please refer the 'Report on Corporate Governance'.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors hereby confirm that: -

- In the preparation of the Annual Accounts for the year ended 31 March, 2025, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013, had been followed and there are no material departures;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31 March, 2025 and of the profit of your Company for the year ended on that date;

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

STATUTORY AUDITORS

Your Company being a CPSE, the Comptroller & Auditor General of India (C&AG) has, under Section 139(5) of the Companies Act, 2013, appointed M/s. Guha, Nandi & Co., Chartered Accountants, Kolkata, as the Statutory Auditors of the Company for the financial year 2024-25.

The Comments of the C&AG u/s 143(6) of the Companies Act, 2013 on the Financial Statements of the Company for financial year 2024-25 form part of this Report.

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 and the Companies (Cost Record and Audit) Rules, 2014, the Board of Directors of your Company has appointed M/s. Chatterjee & Co., Cost Accountants, Kolkata, as the Cost Auditors of your Company for the financial year 2024-25 to conduct audit of cost records maintained by your Company.

SECRETARIAL AUDITOR

In terms of Section 204(1) of the Companies Act, 2013, the Board of your Company has appointed M/s. Mehta & Mehta, Company Secretaries to conduct Secretarial Audit of the Company for the FY 2024-25. The Secretarial Audit Report of M/s. Mehta & Mehta, Company Secretaries is placed at **Appendix - "C"** to this Report. The Secretarial Audit Report has no adverse remarks. However, the other observations and clarifications made by the Secretarial Auditor in their Secretarial Audit Report are self-explanatory.

Pursuant to the Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company has obtained an Annual Secretarial Compliance Report for the year 2024-25 from M/s. Mehta & Mehta, Company Secretaries, confirming compliance of SEBI Regulations / Circulars / Guidelines issued thereunder and applicable to the Company and the said report was filed with the National Stock Exchange of India Limited and BSE Ltd. There are no adverse remarks in the said report.

INTERNAL AUDITOR

The Board of your Company has appointed M/s. S Guha & Associates, Chartered Accountants for carrying out Internal Audit of the Company for the financial year 2024-25.

DETAILS OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143 OF THE COMPANIES ACT, 2013

Nil

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the year under review, your Company did not enter into any contract / arrangement / transaction with related parties in pursuance of section 188 of the Companies Act, 2013 and the rules framed thereunder and Regulation 23 of the SEBI Listing Regulations. Your Directors draw attention of the Members to Note 32 to the financial statements which sets out related party disclosures as per Indian Accounting Standard 24. The Form AOC-2 on details of related party transactions has been attached as **Appendix – “D”** to this Report, as required under section 134(3)(h) of the Companies Act, 2013. The Company has a Policy on Related Party Transactions, which can be accessed at https://grse.in/policies/GRSE_Policy_for_Related_Party_Transactions.pdf

PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

During the year under Report, your Company has not:

- (a) given any loan to any person or other body corporate;
- (b) given any guarantee or provided security in connection with a loan to any other body corporate or person; nor
- (c) acquired by way of subscription, purchase or otherwise, the securities of any other body corporate, as prescribed under Section 186 of the Companies Act, 2013.

VIGIL MECHANISM

As a part of its vigil mechanism, your Company has adopted a Whistle Blower Policy to provide appropriate avenues to the employees of your Company to report to the management, instances of unethical behaviour, actual or suspected fraud or violation of your Company's Code of Conduct. As per the Whistle Blower Policy, a whistle blower can send written communications to the Chairman & Managing Director of your Company (or any person to whom he has delegated his power). Alternatively, the whistle blower may send such Protected Disclosure directly to the Chairman, Audit Committee. Once a Protected Disclosure is received, a Screening Committee comprising the Chairman & Managing Director of your Company, a Functional Director as nominated by C&MD and the Chairman, Audit Committee, will be constituted to investigate into the matter. All employees are encouraged to use this whistle blowing mechanism and voice their concerns to the Management. Further, all employees have been given access to the Chairman, Audit Committee. The Whistle Blower Policy can be accessed on your Company's website at <https://grse.in/wp-content/uploads/2022/04/Whistle-Blower-Policy-1.pdf>.

ANNUAL RETURN

In accordance with the Companies Act, 2013, the Annual Returns in the prescribed format (Form MGT-7) will be available on your Company's website at <https://grse.in/annual-returns/>.

MANAGEMENT DISCUSSION & ANALYSIS

The *Management Discussion & Analysis Report* as required under the SEBI Listing Regulations and the DPE Guidelines on Corporate Governance for CPSEs forms part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

Garden Reach Shipbuilders & Engineers Limited's Corporate Social Responsibility (CSR) projects are aligned with the GoI's vision of sustainable and inclusive development and are framed to enhance inclusive development, social justice, sustainable development, community welfare. The company remains dedicated to expanding its CSR efforts, ensuring that its contributions continue to make a

meaningful difference in the society. CSR is not just an obligation for GRSE but an integral part of its business. By aligning its business objectives with social and environmental commitments, GRSE exemplifies responsible corporate citizenship, strengthening its role as contributor to national development. GRSE has embedded CSR into its corporate governance and core philosophy, reflecting its commitment to the social and environmental responsibility alike business operations.

GRSE's CSR initiatives have played a significant role in mainstreaming the differently abled, holistic development of underprivileged and vulnerable children, empowering the youth, healthcare etc. for the disadvantaged segment in the society. These initiatives have played significant role in socio-economic development of a large segment of underprivileged populace. The detailed outline of the Annual Report on CSR initiatives undertaken during the FY 2024-25 has been annexed at **"Appendix - E"**

RISK MANAGEMENT

Pursuant to Regulation 21 of SEBI Listing Regulations, the Company has constituted a Risk Management Committee. The details of the Committee and its terms of reference, Risk Management Policy etc. are set out in the Corporate Governance Report and a detailed note on Risk Management is provided in the Management Discussion and Analysis Report, which forms part of this report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Securities and Exchange Board of India (SEBI) has mandated inclusion of Business Responsibility and Sustainability Report (BRSR) as part of the Annual Report for the top 1000 listed entities based on market capitalisation. Regulation 34(2)(f) of SEBI Listing Regulations stipulates that the annual report shall include a Business Responsibility and Sustainability Report in the format specified by the SEBI. Accordingly, the Business Responsibility and Sustainability Report for the year 2024-25 has been drawn up and appended to this Report.

INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls with reference to financial statements. A detailed note on Internal Financial Controls is provided in the Management Discussions and Analysis Report, which forms part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company being a Government Company engaged in producing defence platforms, the disclosure of information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo under the provisions of Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is not required as the MCA vide its notification GSR No.680 (E) dated 04 Sep 2015 has granted exemption to Defence Public Sector Undertakings.

IMPLEMENTATION OF RTI ACT

RTI matters are being executed as per the provisions of the Right to Information Act, 2005 and Rules made therein. During the year 2024-25, a net total of 212 numbers of RTI Requests through online/ office mode were received to provide 'information', while opening balance number from previous year was brought forwarded as 27 in number. A total of 237 numbers of RTI applications were replied to during the year including 03 RTI applications which were transferred to other concerned Public Authority and remaining 02 numbers of RTI applications were taken as "Carried forward" to the year 2025-2026.

Total 22 numbers of RTI First Appeals were received during 2024-2025 through online/offline mode and 01 number of First Appeal was Carried Forward as "opening balance" from previous year. A total of 21 numbers of RTI First appeals were decided and replied and remaining 02 numbers of RTI First appeals were taken as "carried forward" to the year 2025-26.

In this financial Year 2024-25, 04 numbers of RTI Second Appeals were filed with Central Information Commission (CIC). Total 02 numbers of RTI Second Appeals had since been heard and decided and remaining 02 numbers of RTI Second appeals were taken as "carried forward" to the year 2025-26.

The Quarterly Returns are being uploaded on the CIC's website as well as on the DOPT website. Proactive Disclosures of information were updated on the website of GRSE under RTI link as directed by CIC.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

In pursuance of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013, the Internal Committee was reconstituted on 18th October 2024 initially comprising of 10 members for West Bengal based units and presently comprising of 9 members in view of superannuation of 1 member. A separate Internal Committee is in existence for DEP Unit, Ranchi. The Internal Committee of DEP was reconstituted on 29 Mar 2023 comprising of 5 members.

In accordance with Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 and the Rules framed thereunder, the following details are submitted:

(i)	Number of complaints of sexual harassment received during the year	NIL
(ii)	Number of complaints disposed off during the year	NIL
(iii)	Number of complaints pending more than ninety days	NIL
(iv)	Number of workshops or awareness programme against sexual harassment carried out	05
(v)	Nature of action taken by the employer	NA

COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

Your Company is in compliance with the applicable provisions of the Maternity Benefit Act, 1961, in respect of its employees. For further details, please refer the 'Business Responsibility and Sustainability Report (BRSR)'.

PUBLIC GRIEVANCES

In order to facilitate resolution of grievances in a transparent and time bound manner, the Department of Administrative Reforms & Public Grievances, Ministry of Personnel, Public Grievance & Pensions, Government of India has initiated a web-based monitoring system at www.pgportal.gov.in (PG Portal).

During the year 2024-25, a total of 17 numbers of Public grievance petitions through online/offline mode were received and 06 numbers of Public grievances were brought forward as "opening balance" from previous year. Total 20 numbers of Public Grievances were resolved and remaining 03 numbers of Public Grievance Petitions were taken as carried forward to the year 2025-26.

VIGILANCE ACTIVITIES

Your Company has a well-established Vigilance Department headed by the Chief Vigilance Officer (CVO). The main thrust of the Vigilance Department is to ensure transparency, fairness & probity in all spheres of activities of the Company. Towards this, the focus of the Department was on Surveillance & Detection as well as on Punitive & Preventive Vigilance. To make Preventive Vigilance function more effective, the Department has given thrust to leveraging of technology. During the year, many spheres of activities were taken up for investigation and various processes were carefully observed, analysed and scrutinised to ensure that the systems of checks & balances are working as per the required parameters. In certain cases, the management was advised for systemic improvements. Apart from the above, the following activities were also carried out by the Vigilance Department during the year:

- (a) Periodic/ Surprise rounds by CVO & Vigilance officials at different locations of GRSE were conducted.
- (b) Several Preventive Vigilance Measures were undertaken as below:
 - (i) Files were randomly picked and scrutinized;
 - (ii) CVC's Online complaint handling mechanism is linked with GRSE Website in addition to the GRSE's own online Complaint handling system; email OTP based Complaint System has been started to minimise spurious and anonymous complaints.
 - (iii) Complaint boxes are installed in all units of GRSE;
 - (iv) During Vigilance Awareness Week (VAW) 2024 following activities were conducted:
 - Integrity Pledge was taken by all employees.
 - Gram Sabha was held at Darbesh Mollar Chak Village, Kakdwip, WB.
 - Different awareness activities like Cartoon Making, Slogan Writing, Essay Writing and Quiz involving GRSE Employees and their family members were conducted.
 - As a prelude to VAW 2024 various Capacity Building Programmes were held in which around employees participated.
- (c) Investigations were conducted on the complaints received from various sources and appropriate actions were taken.
- (d) Scrutiny of 20 % of the Annual Property Returns (APR) have been completed for the Year 2024.
- (e) Inputs on the vigilance status/ Clearance of officers below board level were conveyed for around 1,515 cases. The inputs on the vigilance profile of the Board level officers were also conveyed as desired by the Ministry.
- (f) Several System Improvements were suggested for the interest of the organization.
- (g) Structured meetings were conducted between CVO and C&MD in every quarter.
- (h) Sensitive posts have been reviewed and identified.
- (i) Review of GRSE's Vigilance Clearance policy was taken up.

(j) The following Vigilance Activities are continuing online:

- (i) Submission of Annual Property Return
- (ii) Processing of Vigilance Clearance of employees

INTEGRITY PACT

One of the initiatives of the Central Vigilance Commission (CVC) to eradicate corruption in procurement activity is the purpose for introduction of Integrity Pact in large value contracts. In line with the directives from Ministry of Defence and the CVC, your Company has adopted Integrity Pact with all vendors / suppliers / contractors / service providers for all Orders / Contracts of value ₹2 crore and above and only those vendors/bidders, who commit themselves to IP with the Company would be considered competent to participate in the bidding process.

The Integrity Pact essentially envisages an agreement between the prospective vendors/bidders and the principal (GRSE), committing the persons/officials of both sides, not to resort to any corrupt practices in any aspect/stage of the contract. Only those vendors/bidders, who commit themselves to such a Pact with the principal, would be considered competent to participate in the bidding process. Integrity Pact, in respect of a particular contract, would be operative from the stage of invitation of bids till the final completion of the contract. Any violation of the same would entail disqualification of the bidders and exclusion from future business dealings.

As recommended by the CVC, the Company has appointed Independent External Monitors (IEMs) for monitoring implementation of Integrity Pact in the Company. During the Financial Year 2024-25, the IEMs monitored Orders / Contracts of value ₹2 crore and above and held quarterly meetings with commercial department and half yearly structured meetings with the Chairman & Managing Director.

GENERAL

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

- (a) Detailed reasons for any voluntary revision of financial statement or Board's Report in the relevant financial year in which the revision is made.
- (b) Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- (c) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- (d) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and future operations of your Company.

ACKNOWLEDGEMENTS

Your Directors express their deep appreciation and place on record their gratitude to the Department of Defence Production and other Departments in the Ministry of Defence for their continued support, assistance and guidance. The Directors also express their sincere thanks to the Government of India and also to the Governments of West Bengal, Jharkhand and various other States, for their continued co-operation and valuable support. Your Directors are particularly grateful to the Indian Navy, Indian Army and Indian Coast Guard Headquarters, Border Road Organisation (BRO), Ministry of Home Affairs, Syama Prasad Mookerjee Port Trust, Public Works Departments of various State Governments, Police Department of West Bengal & Kolkata and other valued customers as well as business associates for the confidence reposed by them in your Company. We will fail in our duty if we do not acknowledge the co-operation and positive approach of the Warship Production Superintendent, Coast Guard Refit Production Superintendent and their dedicated teams under whose oversight our ships are being built/ refitted. Also, we thank all classification societies, in particular, IRS, ABS, BVR, and DNV who have ensured quality and adherence to the required standards.

The Directors acknowledge with thanks the valuable advice rendered by, and co-operation received from the Comptroller and Auditor General of India, the Principal Director of Commercial Audit, Ex-officio Member of the Audit Board, Bengaluru, Principal Controller of Defence Accounts (Navy), Mumbai, Controller of Defence Accounts (Navy), Kolkata, Registrar of Companies, the Department of Public Enterprises, the Securities Exchange Board of India, the National Stock Exchange of India Limited and BSE Limited.

The Directors wish to place on record their appreciation to its Statutory, Cost, Internal and Secretarial Auditors, Company's Bankers, Trade Unions and all Officers and Employees at various levels of the organisation for their hard work, dedication and commitment. The enthusiasm and unstinted efforts of the employees have enabled your Company to remain at the forefront of the industry despite increased competition from several existing and new players.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 22 July, 2025

Sd/-
Cmde P R Hari, IN (Retd.)
Chairman & Managing Director
DIN: 08591411

APPENDIX - A

STATEMENT SHOWING REPRESENTATION OF SC / ST / OBC / EX-SERVICEMEN / PHYSICALLY CHALLENGED AND WOMEN EMPLOYEES AS ON 31st DECEMBER, 2024 UNDER PERMANENT & CONTRACT CATEGORIES

Group/Category	Total Strength	SCs	STs	OBCs	Ex-Servicemen	Physically Challenged	Women Employees
Group-A	459	78	30	132	66	12	29
Group-B	28	3	1	9	7	-	4
Group-C	1158	288	51	196	39	40	49
Group-D (Excluding Safaiwalas)	5	2	-	-	1	-	-
Group-D (Safaiwalas)	2	2	-	-	-	-	-
Total	1652	373	82	337	113	52	82

APPENDIX - B

DETAILS OF RECRUITMENT MADE DURING 2024 UNDER PERMANENT CATEGORY & CONTRACT CATEGORIES (FIXED TERM / JOURNEYMEN)

Group/Category	Total Recruitment	SCs	STs	OBCs	Ex-Servicemen	Physically Challenged	Women Employees
Group-A	11	1	-	6	6	-	-
Group-B	6	-	-	2	5	-	-
Group-C	72	21	3	28	-	5	3
Group-D (Excluding Safaiwalas)	-	-	-	-	-	-	-
Group-D (Safaiwalas)	-	-	-	-	-	-	-
Total	89	22	3	36	11	5	3

APPENDIX - C

FORM MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2025

{ Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 }

To,
The Members,
GARDEN REACH SHIPBUILDERS & ENGINEERS LIMITED
GRSE Bhavan,
61, Garden Reach Road,
Kolkata, West Bengal - 700024

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Garden Reach Shipbuilders & Engineers Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed here under 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 maintained by the Company for the financial year ended on March 31, 2025, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(during the period under review not applicable to the company);**
- (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(during the period under review not applicable to the company);**
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(during the period under review not applicable to the company);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 **(during the period under review not applicable to the company);**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(during the period under review not applicable to the Company);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(during the period under review not applicable to the Company);**

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations);
- (iii) Guidelines on Corporate Governance for Central Public Sector Enterprises, 2019 as issued and amended by the Department of Public Enterprises, Government of India ('DPE Guidelines');
- (iv) Other laws specifically applicable to the Company namely:
 - a) The Environmental Protection Act, 1986;
 - b) The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
 - c) The Water (Prevention & Control of Pollution) Act, 1974 and Rules made thereunder;
 - d) The Air (Prevention & Control of Pollution) Act, 1981;
 - e) Indian Electricity Act, 2003 and rule made thereunder

- f) Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by Department of Public Enterprises (DPE);
- g) Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises.

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

We further report that:

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above except to the extent as mentioned below:

1. The Company does not have the requisite numbers of Independent Directors on the Board of the Company as required under Regulation 17(1)(b) of the Listing Regulations, Section 149(4) of the Act and Clause 3.1.4 of DPE Guidelines during the period under review.
2. As per the Regulation 17(1)(a) of the SEBI Listing Regulations and provisions of Section 149(1) of the Act read with Rule 3 of The Companies (Appointment and Qualification of Directors) Rules, 2014 and, the Company did not have a Woman Independent Director on its Board from 1st April, 2024 to 31st March, 2025.
3. In terms of the Regulation 18(1) of the SEBI Listing Regulations, provisions of the Section 177 of the Act, Clause 4.1.1 of the DPE Guidelines for Corporate Governance on CPSE and, during the Audit Period, the Audit Committee was not constituted due to inadequate number of Independent Directors on the Board as aforesaid from 27 Dec 24 to 31 Mar 25. However, the Company had proper composition of Audit Committee up to 26 Dec 2024.
4. In terms of the Regulation 19(1) of the SEBI Listing Regulations, provisions of the Section 178 of the Act and Clause 5.1 of the DPE Guidelines for Corporate Governance on CPSE during the Audit Period, the Nomination and Remuneration Committee was not constituted due to inadequate number of Independent Directors on the Board as aforesaid from 11 Dec 24 to 31 Mar 25. However, the Company had proper composition of Nomination and Remuneration Committee up to 10 Dec 2024.
5. As regards with certain other Corporate Governance provisions provided under the SEBI Listing Regulations, the Company being a CPSE, the regulatory framework applicable to Government companies is designed to ensure compliances to the extent possible. In view of such regulatory framework, certain corporate governance requirements as provided in the SEBI Listing Regulations i.e., Regulation 17(4) & (10), Regulation 18(2) & (3) read with Para A of Part C of Schedule II, Regulation 19(4) read with Para A of Part D of Schedule II and Regulation 25(4) etc. could not be complied with by the Company as by the virtue of being a Government Company, compliance with the said requirements is beyond the control of the Company.

We further report that:

All the changes in the composition of the Board of Directors during the Audit Period, except the aforesaid, were made in due compliance of the various provisions of the Act and DPE Guidelines on Corporate Governance for CPSE.

Adequate notices are given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days except where meetings were held on shorter notice, 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 incurred specific events / actions that have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- (a) The Company at its Annual General Meeting held on 20th September, 2024 declared final dividend of 14.4% i.e. ₹ 1.44 per equity share of face value of ₹ 10 each for the FY 2023-24.
- (b) The Board of Directors of the Company at its meeting held on 3rd February, 2025 declared an interim dividend of 89.5% i.e. ₹ 8.95 per equity share of face value of ₹ 10 each for FY 2024-25.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Sd/-
Raveena Dugar Agarwal
Partner

ACS No: 51836
UDIN: A051836G000835091
CP No.: 26055
PR No.: 3686/2023

Place: Kolkata
Date: 22 July, 2025

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

ANNEXURE A

To,
The Members,
GARDEN REACH SHIPBUILDERS & ENGINEERS LIMITED
GRSE Bhavan,
61, Garden Reach Road,
Kolkata, West Bengal - 700024

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

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
- 7) The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Place: Kolkata
Date: 22 July, 2025

Sd/-
Raveena Dugar Agarwal
Partner
ACS No: 51836
UDIN: A051836G000835091
CP No.: 26055
PR No.: 3686/2023

APPENDIX - D

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/agreements 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

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

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

Name(s) of the related party and nature of relationship	Not Applicable
Nature of contracts / arrangements / transactions	Not Applicable
Duration of the contracts / arrangements / transactions	Not Applicable
Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable
Date(s) of approval by the Board	Not Applicable
Amount paid as advances, if any	None

For and on behalf of the Board of Directors

Sd/-
Cmde P R Hari, IN (Retd.)
Chairman & Managing Director
DIN: 08591411

APPENDIX - E

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2024-25

I. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

Garden Reach Shipbuilders & Engineers Limited (GRSE) undertook a wide range of Corporate Social Responsibility (CSR) initiatives during FY 2024–25, reaffirming its commitment to inclusive and sustainable development, particularly the marginalized and underprivileged communities.

GRSE's CSR efforts focused on the holistic development of disadvantaged communities/ sections of society, health camps, healthcare initiatives, TB elimination, vocational trainings, sanitation, development of ITI, green initiatives etc. aligning with the national priorities. These projects were implemented with an aim to uplift underprivileged communities, promote social equity, drive economic progress etc.

The Company's CSR Policy is framed in accordance with the provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder, and is aligned with the activities specified in Schedule VII of the said Act. The policy is also guided by relevant Government directives and guidelines issued from time to time. The details of CSR activities are available on the Company's website.

The implementation of CSR projects is overseen by the Board-level Corporate Social Responsibility & Sustainability ("CSR & SD") Committee, chaired by an Independent Director. This Committee thoroughly reviews all proposed projects, assesses implementation strategies, and recommends the Annual CSR Action Plan to the Board of Directors for approval.

All CSR projects for FY 2024–25 were executed in accordance with the approved Annual Action Plan. The CSR & SD Committee, along with Key Management Personnel, periodically reviewed the progress of these initiatives to ensure effective implementation and to carry out mid-course corrections, wherever necessary, to achieve the desired outcomes.

II. CSR PROJECTS UNDERTAKEN DURING FY 2024-25

(A) PROJECTS BASED ON ANNUAL THEME – HEALTH AND NUTRITION

(a) Support to 14 Units of Gadadhar Abhyuday Prakaalpa (GAP) of Ramakrishna Mission, Belur Math

Gadadhar Abhyuday Prakaalpa is a welfare initiative launched by the Ramakrishna Mission to support underprivileged children in India. The project focuses on providing education, nutrition, healthcare, and moral guidance to economically disadvantaged children, particularly in rural and slum areas. It aims to offer holistic development of these children by nurturing their physical, intellectual, and spiritual growth through regular classes, nutritious meals, medical checkups, sports, extracurricular activities as-well-as value-based teachings.

As part of its CSR initiatives, GRSE has extended support to 14 GAP units in West Bengal {Gholapara-01, Agarhati-01, Naora-01, Cooch Behar-01, Khidirpur-02 (Murshidabad), Darjeeling-01 (Q1 & Q2), Krishnanagar-01 (Q3 & Q4)} and

Jharkhand {in Aspirational Districts of Ranchi and Khunti at: Morabadi-01, Maliyada-01, Sirka-01, Getalsud-01, Maheshpur-01, Ranchi TB Sanatorium-02}. Through this program support such as educational materials, nutritional support, and healthcare assistance were provided to children primarily from tribal areas and economically weaker sections. The GAP initiative focuses on the physical, mental, and moral upliftment of around 750 children. GRSE's involvement in this program aligns with its commitment to nation-building through community welfare and educational empowerment, ensuring a brighter future for disadvantaged children.

(b) Monthly Health Check-up Camps

GRSE has been regularly organizing Monthly Health Check-up Camps as part of its CSR initiatives to improve healthcare access for underprivileged local populace at its RBD Unit as well as backward areas in Sundarbans like Agarhati (in North 24 Parganas) and Naora (in South 24 Parganas). Essential clinical checkups by inhouse doctors, including general health check-ups, preventive screenings and distribution of free medicines were done in these camps. These camps are eagerly awaited by the beneficiaries and around 8177 nos. underprivileged and distressed men and women got access to modern healthcare services through this initiative. GRSE reinforces its commitment to community healthcare and wellbeing, thereby contributing to a healthier society.

(c) TB Nikshay Mitra

GRSE has played a significant role in supporting the TB Nikshaya Mitra initiative under the Gol's Pradhan Mantri TB Mukta Bharat Abhiyaan. As part of its CSR efforts, GRSE in association with Kolkata Municipal Corporation has adopted 157 nos. tuberculosis patients in Kolkata at Mansatala (48 patients), Prantik (41 patients), KMC Ward 134 (68 patients), providing them with essential nutritional support in addition to awareness programs to help in their recovery. The company ensures that affected individuals receive regular proper diet plans and psychological support to enable them to combat the disease effectively. By actively participating in this initiative, GRSE has contributed to the national goal of eliminating TB by 2025, demonstrating its commitment to public health and social welfare. Through such efforts, GRSE strengthens its role in community healthcare, fostering a healthier and disease-free society. GRSE got a prestigious certificate from the KMC on 19 Dec 2024 for outstanding efforts in TB Control and Prevention during FY 2022-23, FY 2023-24 & FY 2024-25.

(d) 100 Days Campaign for TB Elimination

GRSE has actively participated in the 100 Days Campaign for TB Elimination, a Gol-led initiative aimed at accelerating efforts to eradicate tuberculosis in India by 2025. As part of its CSR commitment, the company has organized awareness programs, TB detection camps and counseling sessions to spread awareness about TB prevention, early

detection and the importance of completing treatment. This initiative contributed to India's mission of achieving a TB-free nation by 2025.

(e) Blood Donation Camps

GRSE has been periodically organizing Blood Donation Camps as part of its CSR initiatives. One camp was conducted in collaboration with Saroj Gupta Cancer Centre, Kolkata (Thakurpukur Cancer Centre) on 14 June 2024 and another with Indian Red Cross Society (Kolkata) on 28 February 2025. Around 150 volunteers donated blood in these 02 camps. This initiative helped in addressing the blood shortage in medical emergencies and contribute to life-saving treatments for patients in need.

(f) Health Examination (Medical Investigation) of Local Workers

Recognizing the importance of preventive healthcare, GRSE conducted medical investigation camps for local workers, ensuring early detection and treatment of health issues. These camps conducted essential 11 types of medical investigation for localworker i.e. Complete blood count, Blood Sugar Fasting, Serum Uric Acid, Serum Urea, Serum Creatinine, Lipid profile, Liver Function Test, TSH, Vitamin-D3, ECG, Eye Check-up. Special attention was given to sanitation workers (Safai Mitras). Around 5,343 local workers benefitted from this project and it reinforces GRSE's commitment to address the bottleneck of accessibility to adequate healthcare thereby contributing to healthier and prosperous life of the local community.

(g) Medical Equipment to Ramakrishna Mission TB Sanatorium at Tupudana, Ranchi, Jharkhand (A Unit of Ramakrishna Mission Belur Math)

The Ramakrishna Mission TB Sanatorium at Tupudana, Ranchi, Jharkhand is one of the oldest TB hospitals in the country, renowned for the quality treatment and rehabilitation of tuberculosis (TB) patients. The sanatorium focuses on providing comprehensive care such as nutritional support and psychological counseling to the TB patients in addition to the treatment.

GRSE has extended its CSR support by providing medical equipment such as Fully Automated Random-Access Clinical Chemistry Analyzer, Anesthetic Machine, Neonatal Ventilator and Dental Surgery Unit to enhance the hospital's capacity to offer better treatment and care. This initiative is aimed to strengthen the healthcare infrastructure of the sanatorium, which plays a crucial role in treating TB patients from underprivileged backgrounds. This initiative is aimed to eliminate TB by 2025 aligning with the Gol Mission.

(h) Medical Equipment to The Leprosy Mission Hospital at Purulia, West Bengal (a Unit of TLMTI)

The Leprosy Mission Hospital in Purulia, West Bengal, is a renowned healthcare facility for leprosy and other related neglected disease. The institution plays a crucial role in raising awareness about leprosy, combating stigma, and promoting inclusion for people with the disease. In addition

to its medical focus, the hospital also offers rehabilitation programs as-well-as physiotherapy and corrective surgery, to help individuals regain their mobility and quality of life.

GRSE has provided medical equipment like Appa Scan Max, Auto Refractometer with Keratometry, ECG Machine, Fowler Beds with ABC panel & Mattress, Incubator, ICU Bed Motorized, Bedside Lockers, OT light, Surgical Cautery Machine, Syringe Pump Acura, Patient Stretcher with Mattress, Wheelchair, Digital B. P. Apparatus, Prosthesis and Orthosis Materials, Autoclave Machine, Dental Chair and Accessories with an aim to strengthen the healthcare facilities of the Leprosy Mission Hospital in Purulia.

(i) Medical Equipment to Ramakrishna Sarada Mission Matri Bhavan Hospital, Kolkata (A Unit of Ramakrishna Sarada Mission)

Ramakrishna Sarada Mission Matri Bhavan Hospital located at Kalighat in Kolkata, is a prominent center dedicated to the service of women and children. Matri Bhavan focuses on nurturing women's physical, emotional, and intellectual development, offering support for marginalized sections of society, especially those in vulnerable circumstances.

GRSE extended its support by providing medical equipment like Puritan Bennet Universal Ventilator, 6 Parameter Patient Monitor, Fully Modernized Remote Control 5 Function ICU Bed, Defibrillator, POCT Device with Biomaker, Forced Air Patient Warming Unit, DVT (Deep Vein Thrombosis) Pump, Pressure Air Mattress to Matri Bhavan Hospital. This initiative is aimed to enhance the hospital's healthcare infrastructure for improved treatment facilities for underprivileged patients. Matri Bhavan Hospital plays a crucial role in maternal and child healthcare.

(j) Facilitating Vocational Training at Ma Sarada Swanirvar Kendra at Chitpur, Kolkata in Association with Ramakrishna Math Baghbazar

Ma Sarada Swanirvar Kendra, located at Chitpur in Kolkata, West Bengal, is a renowned social organization. The center focuses on promoting self-reliance, social welfare, and skill development, particularly among women, transgender and youths from underprivileged segment.

GRSE has undertaken a CSR initiative to facilitate skill training to aspiring youth as medical technicians in Phlebotomy (60 trainees) and General Duty Assistant (30 trainees) at Ma Sarada Swanirvar Kendra, Chitpur, Kolkata. This initiative is aimed to empower youth, especially women, by equipping them with practical medical skills that enhance their employability in the healthcare sector. Through structured training programs, hands-on training, and NSDC certification, GRSE is helping to bridge the skill gap in the medical field, ensuring a steady supply of well-trained healthcare professionals. By investing in vocational training and skill development, GRSE not only supports economic empowerment and self-reliance but also strengthens the healthcare workforce, contributing to better medical services in society. This initiative aligns with GRSE's commitment to nation-building through education, skill enhancement, and community welfare.

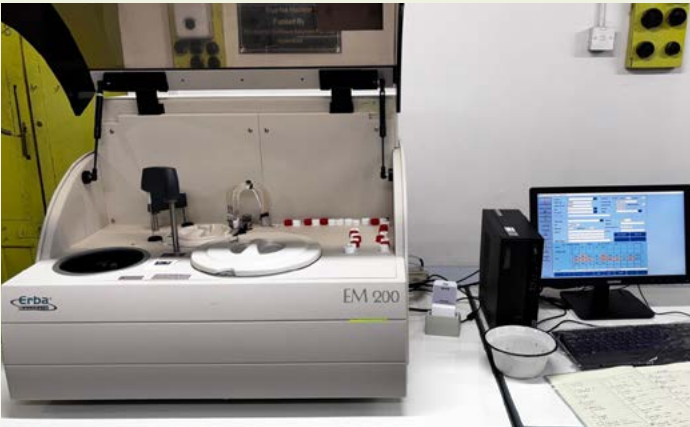
CSR GALLERY



Director (Personnel), GRSE, handed over Sattu-making and weighing machines to the Women's Self-Help Group at Balipada, Dadha Panchayat, Odisha, in Mar 2025



Medical Equipment to Ramakrishna Mission TB Sanatorium, Tupudana, Ranchi -benefitting underprivileged TB patients in Jan 2025



Essential Medical Equipment donated to Ramakrishna Sarada Mission Bhavan, Kolkata benefitting underprivileged patients in Jan 2025



18,000 Saplings plantation has been undertaken in West Bengal & Jharkhand during Aug 24 and Jan 2025



Inauguration of community toilets at Malayada, Khunti, and Maheshpur, Ranchi, in Dec 2024



CSR GALLERY



MoU with "TLMTI" to provide Medical Equipment to the Leprosy Mission Purulia Home and Hospital, Purulia, in Oct 2024



MoU with Ramakrishna Mission Tuberculosis Sanatorium, Tupudana, Ranchi for providing Medical Equipment, in Oct 2024



Monthly Health check-up camps at Agarhati, Naora, and Rajabagan - benefitting underprivileged patients, in Sep 2024



Health Examination (Medical Investigation) of local workers undertaken in association with Apollo Hospitals, in Sep 2024



Supporting children affected by cerebral palsy and facilitating early Intervention at the Indian Institute of Cerebral Palsy (IICP), Kolkata in Aug 2024

CSR GALLERY



Providing job-oriented vocational training to underprivileged trainees at Ma Sarada Swanirvar Kendra, Chitpur in Aug 2024



GRSE Project Akanksha – Fostering holistic development of underprivileged children in Kolkata, West Bengal, in association with CRY, in Jul 2024



Blood Donation Camps in association with Saroj Gupta Cancer Centre on 14 Jun 2024



Gadadhar Abhyudaya Prakalpa - Holistic development of underprivileged children in tribal areas of West Bengal and Jharkhand in association with Ramakrishna Mission, Belur Math, in May 2024



MoU with IICP for adoption of 05 classes for cerebral affected children and early intervention clinic, in May 2024



Maintenance of toilets in local schools in association with Sulabh International in FY 24-25

(k) Project Akhansha – Holistic Development of 300 Vulnerable Children at Hastings and Khidirpore in Kolkata in Association with Child Rights & You (CRY)

GRSE has extended its support to improve the lives of around 300 underprivileged vulnerable children at Hastings and Khidirpore in Kolkata in association with Child Rights & You (CRY). Through this partnership, GRSE focuses on enhancing education, healthcare, nutrition, and overall well-being of children from marginalized vulnerable communities. The project works towards ensuring better learning opportunities, reducing school dropouts and providing a safe and healthy environment for children to grow and develop. By supporting Project Akhansha, GRSE reinforces its commitment to child welfare and education, empowering young minds with the resources and opportunities needed to build a brighter future. This initiative reflects GRSE's dedication to nation-building through social upliftment, ensuring holistic development of the next generation.

(l) Daily Cleaning and Maintenance of Toilets in 20 Schools (Kolkata, South 24 Parganas & Howrah) in Association with Sulabh International Social Service Organization – WB Branch

GRSE, in collaboration with Sulabh International Social Service Organization (WB Branch), has undertaken the initiative to ensure daily cleaning and maintenance of toilets in 20 Government-Aided schools in Kolkata, South 24 Parganas & Howrah. This initiative entails daily cleaning of bathrooms, urinals, wash basins, sinks, lavatories, taps, water purifiers, overhead tanks, reservoirs etc. were on daily basis including minor repair and maintenance. 20 local Government-Aided schools, with special focus on girls' schools were covered and around 25,841 students benefitted on daily basis from this project. The initiative aims to promote health, hygiene, sanitation and a healthy learning environment for students, particularly benefiting young girls by providing them with clean and safe restroom facilities. By ensuring regular upkeep, GRSE helped in preventing health issues caused by poor sanitation and supports the Swachh Vidyalaya Abhiyan. This initiative not only improved school attendance and student's well-being but also fostered awareness about the importance of hygiene and sanitation.

(m) Adoption of 06 Classes & Early Intervention Project of Indian Institute of Cerebral Palsy, Kolkata

The Indian Institute of Cerebral Palsy (IICP) at Taratala, Kolkata, is a pioneer institution dedicated to providing specialized care, education and rehabilitation for individuals with cerebral palsy and other developmental disabilities. The institute emphasizes inclusive education and works closely with families to create personalized care plans that address the specific needs of each child. IICP is also involved in raising awareness about cerebral palsy and advocating for the rights and inclusion of people with disabilities in society.

GRSE has partnered with the IICP to support the Six Classes (Education & Development Unit I, III, IV & V and Senior & Middle Level Class having around 80 children) and the Early Intervention Project. This initiative focuses on providing

specialized education, therapy, and skill development for children with cerebral palsy and other neuro-motor disabilities. By supporting IICP, GRSE ensures that children receive individualized attention, assistive technology and rehabilitative care, empowering them to lead more independent lives. The Early Intervention Project further aids in the early diagnosis and therapeutic support for infant, toddler, children significantly improving their quality of life.

(n) Provided 14 nos. Sattu Machine and 07 nos. Weighing Machine to a Self-Help Group at Balipada, Dadha Panchayat, Odisha in Association with Parichay Foundation

GRSE, in collaboration with Parichay Foundation, has extended its support by providing 14 nos. Sattu Machines and Weighing Machines to Self-Help Group at Balipada, Dadha Panchayat, Odisha. This initiative aims to empower women and marginalized communities by enhancing their livelihood opportunities through small-scale entrepreneurship. The Sattu Machines enable SHG members to produce nutritional food products, while the Weighing Machines ensure accurate measurement for sales, boosting their efficiency and income generation. By adopting this initiative, GRSE contributes to women's economic empowerment, financial independence, and skill development, fostering sustainable growth and self-reliance within these communities. This initiative aligns with GRSE's commitment to nation-building through social upliftment, employment generation, and inclusive development.

(B) OTHER PROJECTS

(a) Job-Oriented Vocational Trainings to Youths at Ma Sarada Swanirvar Kendra at Chitpur, Kolkata in Association with Ramakrishna Math Baghbazar

Ma Sarada Swanirvar Kendra, located at Chitpur in Kolkata, West Bengal, is a renowned social organization. The center focuses on promoting self-reliance, social welfare, and skill development, particularly among women, transgender and underprivileged segment.

GRSE supported Vocational Training Program for 30 trainees in Field Technician AC & Other Home Appliances, 90 trainees as Computer Operator and 30 trainees for Sewing Machine Operator in collaboration with Ma Sarada Swanirvar Kendra. This initiative was aimed to empower underprivileged youth, particularly women and transgender, by equipping them with industry-relevant skills that enhance their employability. The training enabled beneficiaries to secure sustainable livelihoods. By fostering skill development and self-reliance, this program aligns with the national vision of "Skill India" while uplifting marginalized communities.

(b) Construction of 02 nos. Community Toilets at Maliyada (Khunti District) and Maheshpur (Ranchi District) in Association with Ramakrishna Mission Ashrama, Morabadi, Ranchi (A Unit of Ramakrishna Mission, Belur Math)

GRSE in collaboration with Ramakrishna Mission Ashrama at Morabadi, Ranchi has undertaken the construction of community toilets at Maliyada, Khunti (Aspirational District)

and Maheshpur, Ranchi Khunti (Aspirational District). This initiative aims to improve sanitation, hygiene, and public health, particularly in underserved rural areas where access to proper sanitation facilities was limited. By providing clean and well-maintained community toilets, the project contributes to the Swachh Bharat Abhiyan thereby reducing open defecation and promoting a healthier living environment. The initiative not only enhances the quality of life for local communities but also fosters dignity, safety and well-being, especially for women and children.

(c) Provided Job-Oriented Vocational Training to 130 School Students in and around Garden Reach, Kolkata in Association with Tomorrow's Foundation

GRSE in collaboration with Tomorrow's Foundation, has undertaken a vocational training program in Mobile Repair including Financial Literacy, Jewelry Design including Financial Literacy and Beauty & Wellness including Financial Literacy for 130 school students in the Garden Reach Area, Kolkata. This initiative aims to equip young learners with practical skills and industry-relevant training, enhancing their employability and preparing them for future career opportunities. The program covered various disciplines, empowering students with hands-on knowledge and fostering self-reliance. By bridging the gap between academic education and skill-based learning, this initiative supports the vision of "Skill India", promoting inclusive growth and socio-economic development. GRSE's commitment to youth empowerment through such strategic CSR interventions underscores its dedication to building a skilled and self-sufficient workforce for a better tomorrow.

(d) Provided 03 Nos. Smart Classrooms and 01 No. IT Labs to Bill Edgar Memorial Vocation Training Centre (A Unit of TLMIT) in Bankura, West Bnegal

The Bill Edgar Memorial Vocational Training Centre located in Bankura, West Bengal is a prominent institution dedicated to provide skill-based education and vocational training to the students with leprosy background. The Bill Edgar Memorial Vocational Training Centre plays a significant role in uplifting the lives of Leprosy affected Students by equipping them with the tools needed for a better future.

GRSE has contributed equipment for 03 Nos. Smart Classrooms and 01 No. IT Lab to the institute. This initiative aims to enhance digital learning and skill development by integrating modern technology into vocational education. The smart classrooms provided an interactive and engaging learning environment, while the IT lab equipped the students with computer literacy and technical skills, improving their employability prospects. By fostering technology-driven education, this project aligns with the Digital India Mission and empowered students from underprivileged backgrounds with future-ready skills. GRSE's commitment to quality education and skill development through such initiatives underscores its vision of inclusive growth and sustainable development.

(e) Celebrated Swachhata Hi Seva 2024 (from 17 Sep 2024 to 02 Oct 2024)

GRSE actively participated in Swachhata Hi Seva 2024,

reinforcing its commitment to the Swachh Bharat Abhiyan. This nationwide cleanliness drive aimed at promoting sanitation, hygiene, and environmental sustainability through various activities such as cleaning public spaces, awareness campaigns, and waste management initiatives. GRSE employees and volunteers enthusiastically engaged in these efforts, ensuring cleaner surroundings in community areas, schools, and workplaces. By fostering a culture of cleanliness and responsible waste disposal, this initiative contributed to public health and environmental conservation.

(f) Conducted Special Campaign 4.0 (from 02 Oct 2024 to 31 Oct 2024)

GRSE actively participated in Special Campaign 4.0, a GoI-driven initiative focused on cleanliness, waste management and efficient record-keeping. This campaign aimed at improving workplace efficiency and environmental sustainability through systematic decluttering, disposal of obsolete records, and enhancing office hygiene. GRSE undertook various activities, including cleaning drives and awareness programs, ensuring a more organized and eco-friendlier workspace. By aligning with the broader vision of Swachh Bharat and Good Governance, this initiative reinforced GRSE's commitment to operational excellence and sustainable development. Through Special Campaign 4.0, GRSE continues to uphold its responsibility towards a cleaner, more efficient, and environmentally conscious future.

(g) MoD Swachhata Pakhwada (01 Dec 2024 to 15 Dec 2024)

GRSE actively participated in the MoD Swachhata Pakhwada, reinforcing its commitment to cleanliness, hygiene and environmental sustainability. This special fortnight-long initiative aimed to promote the Swachh Bharat Abhiyan through extensive cleanliness drives, waste management activities, and awareness campaigns across West Bengal and Jharkhand. Volunteers engaged in beautification of public spaces, tree plantation, and sanitation awareness programs, encouraging a culture of cleanliness and responsible waste disposal. By supporting the MoD's vision for a cleaner and greener India, GRSE continues to play a crucial role in nation-building and sustainable social development, ensuring long-term environmental and public health benefits.

(h) Plantation of 12000 nos. Mangrove Saplings Plantation at Sundarbans Island and 7000 nos. Fruit Bearing Tree Saplings Plantation/Distribution at Sandeshkhali (North 24 Parganas), Sagar Island (Sundarbans, South 24 Parganas), Tupudana (Ranchi, Jharkhand)

GRSE undertook the plantation of 12,000 Mangrove saplings and the plantation/distribution of 7,000 fruit-bearing tree saplings to promote environmental conservation and sustainability. The mangrove plantation initiative aimed at enhancing coastal resilience, preventing soil erosion, and supporting biodiversity, playing a crucial role in mitigating the impact of climate change. Additionally, the distribution of fruit-bearing trees contributed to afforestation efforts, providing long-term benefits such as improved air quality, soil conservation, and enhanced livelihoods for local

communities. Through these green initiatives, GRSE reaffirms its commitment to ecological balance and sustainable development, fostering a greener and healthier environment for future generations.

(i) Provided Stipend to The Apprentices in Kolkata

GRSE provided a part of stipend to around 199 apprentices which supported skill development and youth empowerment. This initiative aimed to enhance employability by offering hands-on training and industry relevant experience financial assistance to young trainees, enabled them to gain industry-relevant experience without financial constraints. By investing in the vocational education and practical learning, GRSE aligns with the Skill India Mission, fostering a skilled workforce for the nation. The stipend support not only motivated apprentices to excel in their training but also contributed to economic self-reliance and career growth, reinforcing GRSE's commitment to building a sustainable and skilled talent pool for the future.

III. CSR AWARD

GRSE has been widely recognized for its exemplary CSR initiatives, earning numerous prestigious awards that underscore its commitment to societal development. GRSE received the following awards during FY 2024-25:

- (a) On 25 June 2024, GRSE has secured the 2nd position in the Swachhta Pakhwada Award 2023 by the Ministry of Defence.
- (b) On 23 August 2024, GRSE was honored with two awards at 11th National CSR Times Awards 2024 for "Healthcare Projects" and "Skill Development".
- (c) On 21 December 2024, 14th ICC PSE Excellence Award 2024 for "CEO/CMD/MD of the Year" for "CSR & Sustainability".

IV. Composition of CSR Committee

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
(a)	Shri Sanjeeb Mohanty <i>Part-Time Non-Official (Independent) Director</i>	Chairperson	3	3
(b)	Cdr Shantanu Bose, IN (Retd.) <i>Director (Shipbuilding)</i>	Member	3	3
(c)	DIG Subrato Ghosh, ICG (Retd.) <i>Director (Personnel)</i>	Member	3	3

- V. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company- <https://grse.in/board-of-directors-and-committees/> and <https://grse.in/csr-projects-and-policy/>
- VI. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).- **Not applicable as per the Companies (CSR Policy) Amendment Rules, 2021.**
- VII. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set- off for the financial year, if any (in ₹)
		NIL	

VIII. Average net profit of the company as per section 135(5).

- (a) Two percent of average net profit of the company as per section 135 (5) –
₹ 693.66 lakh
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial year
Not Applicable
- (c) Amount required to be set off for the financial year, if any
Not Applicable
- (d) Total CSR obligation for the financial year (7a+7b-7c)
₹ 693.66 lakh

VIII. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 6.95 crore					NIL

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation Direct (Yes/ No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number

There is No Ongoing Project in FY 2024 - 25

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in lakh)	Mode of implementation on - Direct (Yes/ No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration Number
1	Holistic development of 530 under privileged children of Tribal Villages of Jharkhand and West Bengal	Item No. (i) – eradicating malnutrition, promoting healthcare including preventive healthcare.	Yes	Jharkhand and West Bengal	Ranchi & Khunti (Aspirational Districts) North 24 Parganas, South 24 Parganas, Coochbehar, Murshidabad, Darjeeling, Nadia	94.96	No	Ramakrishna Mission, Belur Math	CSR00006101
2	Monthly health check-up camps at Rajabagan (Kolkata), Naora (South 24 Parganas) and Agarhati (North 24 Parganas) by GRSE Medical Cell	Item No. (i) – promoting healthcare including preventive healthcare.	Yes	West Bengal	Kolkata, South 24 Parganas and North 24 Parganas	29.49	Yes	GRSE Ltd	-
3	TB Nikshay Mitra – Supported MDR TB Patients by GRSE Medical Cell	Item No. (i) – eradicating malnutrition, promoting healthcare including preventive healthcare.	Yes	West Bengal	Kolkata	17.09	Yes	GRSE Ltd	-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (₹ in lakh)	Mode of implementation on - Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration Number
4	100 Days for TB Elimination Campaign by GRSE Medical Cell	Item No. (i) – promoting healthcare including preventive healthcare.	Yes	West Bengal	Kolkata	00.29	Yes	GRSE Ltd.	-
5	Conducted 02 nos. Blood Donation Camps by GRSE Medical Cell	Item No. (i) – promoting healthcare including preventive healthcare.	Yes	West Bengal	Kolkata	01.49	Yes	GRSE Ltd.	-
6	Health Examination (Medical Investigation) of Local Workers by GRSE Medical Cell	Item No. (i) – promoting healthcare including preventive healthcare.	Yes	West Bengal	Kolkata, South 24 Parganas and North 24 Parganas	79.17	Yes	GRSE Ltd.	-
7	Medical Equipment to Ramakrishna Mission TB Sanatorium at Tupudana, Ranchi, Jharkhand (A Unit of Ramakrishna Mission Belur Math)	Item No. (i) – promoting healthcare including preventive healthcare.	Yes	Jharkhand	Ranchi (Aspirational District)	43.60	No	Ramakrishna Mission, Belur Math	CSR00006101
8.	Medical Equipment to The Leprosy Mission Hospital at Purulia, West Bengal (A Unit of TLMTI)	Item No. (i) – promoting healthcare including preventive healthcare.	No	West Bengal	Purulia	36.62	No	The Leprosy Mission Trust India	CSR00001796
9.	Medical Equipment to Ramakrishna Sarada Mission Matri Bhavan Hospital, Kolkata (A Unit of Ramakrishna Sarada Mission)	Item No. (i) – promoting healthcare including preventive healthcare.	Yes	West Bengal	Kolkata	39.05	No	Ramakrishna Sarada Mission	CSR00005055

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (₹ in lakh)	Mode of implementation on - Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration Number
10.	Job-Oriented Medical Training (Phlebotomy – 60 trainees and General Duty Assistant – 30 trainees) to Youths in Association with Ramakrishna Math Baghbazar	Item No. (i) – promoting healthcare including preventive healthcare.	Yes	West Bengal	Kolkata	28.12	No	Ramakrishna Math, Belur Math	CSR00002806
11.	Project Akhansha – Holistic Development of 300 Vulnerable Children at Hastings and Khidirpore, Kolkata in Association with Child Rights & You (CRY)	Item No. (i) – eradicating malnutrition, promoting healthcare including preventive healthcare.	Yes	West Bengal	Kolkata	26.98	No	Child Rights and You	CSR00000805
12.	Daily Cleaning and Maintenance of Toilets etc. in 20 Schools for 10 months in Association with Sulabh International Social Service Organization – WB Branch	Item No. (i) - promoting healthcare including preventive healthcare.	Yes	West Bengal	Kolkata, Howrah & South 24 Parganas	54.30	No	Sulabh International Social Service Organization, WB Branch and GRSE	CSR00000185
13.	Adoption of 06 Classes & Early Intervention Clinic of Indian Institute of Cerebral Palsy, Kolkata	Item No. (i) – eradicating malnutrition, promoting healthcare including preventive healthcare.	Yes	West Bengal	Kolkata	74.80	No	Indian Institute of Cerebral Palsy, Kolkata	CSR00001730

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (₹ in lakh)	Mode of implementation on - Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration Number
14.	Provided 14 nos. Chattu Machine and 07 nos. Weighing Machine to a Self-Help Group at Balipada, Dadha Gram Panchayat, Odisha in Association with Parichay Foundation	Item No. (i) – eradicating malnutrition, promoting healthcare.	No	Odisha	Khordha	05.67	No	Parichay Foundation	CSR00002652
15.	Job-Oriented Vocational Training (field Technician – 30, Computer Operator – 90 and Sewing Machine Operator - 30) to Youths in Association with Ramakrishna Math Baghbazar	Item No. (ii) - promoting employment enhancing vocational skills.	Yes	West Bengal	Kolkata	16.92	No	Ramakrishna Math, Belur Math	CSR00002806
16.	Construction of 02 nos. Community Toilets at Malyada (Khunti) and Maheshpur (Ranchi) in Association with Ramakrishna Mission Ashrama, Morabadi, Ranchi	Item No. (i) – promoting sanitation	Yes	Jharkhand	Ranchi & Khunti (Aspirational Districts)	04.35	No	Ramakrishna Mission, Belur Math	CSR00006101
17.	Job-Oriented Vocational Training to 130 School Students in and around Garden Reach, Kolkata in Association with Tomorrow's Foundation	Item No. (ii) - promoting employment enhancing vocational skills.	Yes	West Bengal	Kolkata	13.23	No	Tomorrow's Foundation	CSR00002010

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (₹ in lakh)	Mode of implementation on - Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration Number
18.	Provided Training Equipment to The Bill Edger Memorial Vocational Training Centre at Bankura, West Bengal (a Unit of TLMTI)	Item No. (ii) - promoting employment enhancing vocational skills.	No	West Bengal	Bankura	23.00	No	The Leprosy Mission Trust India	CSR00001796
19.	Conducted Swchhata Hi Seva 2024 from 17 Sep 2024 to 02 Oct 2024	Item No. (i) – promoting sanitation.	Yes	Jharkhand and West Bengal	Ranchi & Khunti (Aspirational Districts) Kolkata, North 24 Parganas, South 24 Parganas	01.78	Yes	GRSE Ltd.	-
20.	Conducted Special Campaign 4.0 from 02 Oct 2024 to 31 Oct 2024	Item No. (i) – promoting sanitation.	Yes	West Bengal	Kolkata, North 24 Parganas, South 24 Parganas, Murshidabad	01.30	Yes	GRSE Ltd.	-
21.	Conducted MoD Swachhata Pakhwada from 01 Dec 2024 to 15 Dec 2024.	Item No. (i) – promoting sanitation.	Yes	Jharkhand and West Bengal	Ranchi & Khunti (Aspirational Districts) Kolkata, North 24 Parganas	01.94	Yes	GRSE Ltd.	-
22.	Undertook 12000 nos. Mangrove Saplings Plantation at Sundarbans Island and Undertaken 7000 nos. Fruit Bearing Tree Saplings Plantation/ Distribution at Sandeshkhali (North 24 Parganas), Sagar Island (South 24 Parganas), Tupudana (Ranchi)	Item No. (iv) – ensuring environmental sustainability, ecological balances and protection of flora and fauna	Yes	Jharkhand and West Bengal	Ranchi (Aspirational Districts) Kolkata, North 24 Parganas, South 24 Parganas	14.18	Yes	GRSE Ltd.	-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (₹ in lakh)	Mode of implementation on - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
23.	Stipend paid to the apprentices engaged over and above the statutory requirement	Item No. (ii) - promoting employment enhancing vocational skills.	Yes	West Bengal	Kolkata	86.67	Yes	GRSE Ltd.	-
TOTAL						695.00			

- (d) Amount spent in Administrative Overheads- **NIL**
- (e) Amount spent on Impact Assessment, if applicable- **Not Applicable**
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e)- ₹ **695 lakh**
- (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	693.66
(ii)	Total amount spent for the Financial Year	695.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.34
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	00

- IX.** (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial year (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.					00		

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing
1.								
TOTAL						00		

- X.** In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s)
- (b) Amount of CSR spent for creation or acquisition of capital asset
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.-

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

Sl.	Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset (₹ in lakh)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Details of the capital asset(s) created or acquired	Complete address and location of the capital asset
01.	15 Dec 2024	4.35	Ramakrishna Mission Ashrama, Morabadi, Ranchi (A Unit of Ramakrishna Mission, Belur Math), Morabadi, Ranchi, Jharkhand - 834008	02 nos. Community Toilet	Maliyada in Kunti District of Jharkhand - 835216 and Maheshpur in Ranchi District of Jharkhand - 835103
02.	24 Dec 2024	43.60	Ramakrishna Mission TB Sanatorium (A Unit of Ramakrishna Mission Belur Math), Tupudana, Ranchi, Jharkhand - 835221	01 no. Fully Automated Random-Access Clinical Chemistry Analyzer, 01. no. Anesthetic Machine, 01 no. Neonatal Ventilator, 01 no. Dental Surgery Unit	Ramakrishna Mission TB Sanatorium (A Unit of Ramakrishna Mission Belur Math), Tupudana, Ranchi, Jharkhand - 835221
03.	12 Jan 2025	0.77	Ma Sarada Swanirvar Kendra (A Unit of Ramakrishna Math, Baghbazar), 20, Pran Krihsna Mukherjee Road, Ghosh Bagan, Chitpur, Kolkata, West Bengal - 700002	01 Digital Display Board	Ma Sarada Swanirvar Kendra, 20, Pran Krihsna Mukherjee Road, Ghosh Bagan, Chitpur, Kolkata, West Bengal - 700002
04.	17 Jan 2025	24.52	The Leprosy Mission Hospital Purulia (A Unit of The Leprosy Mission Trust India), Manguria, Purulia, West Bengal - 723101	01 no. Appa Scan Max, 01 no. Auto Refractometer with Keratometry (including table), 01 no. ECG Machine (3 Channel), 50 nos. Fowler Beds with ABC panel & mattress, 01 no. Incubator, 05 nos. ICU Bed Motorized three-function, 50 nos. Bedside Lockers, 01 no. OT light for Minor OT, 01 no. Surgical Cautery Machine, 01 no. Syringe Pump Acura, 05 nos. Patient Stretcher with Mattress, 10 nos. Wheelchairs, 10 nos. Digital B. P. Apparatus, 01 no. Autoclave Machine, 01 set Dental Chair and Accessories	The Leprosy Mission Hospital Purulia (A Unit of The Leprosy Mission Trust India), Manguria, Purulia, West Bengal - 723101
05.	02 Feb 2025	39.05	Ramakrishna Sarada Mission Matri Bhavan Hospital (A Unit of Ramakrishna Sarada Mission), 7A, Sree Mohan Lane, Kolkata - 700026	01 no. Puritan Bennet Universal Ventilator, 02 nos. 6 Parameter Patient Monitor, 06 nos. Fully Modernized Remote Control 5 Function ICU Bed, 01 no. Defibrillator, 01 no. POCT Device with Biomaker, 01 no. Forced Air Patient Warming Unit, 01 no. DVT (Deep Vein Thrombosis) Pump 01 no. Pressure Air Mattresss	Ramakrishna Sarada Mission Matri Bhavan Hospital at 7A, Sree Mohan Lane, Kolkata - 700 026.
06.	17 Mar 2025	5.67	Parichay Foundation, Flat no. 45, pocket 5, Mayur Vihar phase-I, Delhi-110091	14 nos. Chattu Machine and 07 nos. Weighing Machine	Self-Help Group of Parichay Foundation at Balipada, Dadha Gram Panchayat, Odisha - 116936

Sl.	Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset (₹ in lakh)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Details of the capital asset(s) created or acquired	Complete address and location of the capital asset
07.	24 Mar 2025	23.00	The Bill Edger Memorial Vocational Training Centre (A Unit of The Leprosy Mission Trust India), Bankura, West Bengal - 722101	Smart Class Rooms - 03 nos. Smart Board Interactive Touch, 03 nos. Computer Set with Tables & Chairs, 03 nos. Green Board, 03 nos. White Board, 03 nos Notice Board, 60 nos. Chairs with Writing Pad, 03 nos. Almirah, 03 nos. Faculty's Tables (including Charis) IT Lab - 18 nos. Computers Set (with Software), 01 no. Projector, 20 nos. Tables with Chairs, 01 no. Green Board, 01 no. White Board, 01 no. Notice Board, 01 no. Vacuum Cleaner Wet/Dry, 01 no. Faculty Table with Chair, 02 nos. 1.5 Ton Air Conditioner	The Bill Edger Memorial Vocational Training Centre, Bankura, West Bengal - 722101

XI. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) - **Not Applicable**

Sd/-
Shri Kamleshbhai Mirani
Chairperson, CSR & SD Committee
DIN: 11118795

Sd/-
Cmde P R Hari, IN (Retd.)
Chairman & Managing Director
DIN: 08591411

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INDUSTRY SCENARIO

1.1 Global Scenario

Shipbuilding:

The global shipbuilding industry is witnessing a resurgence, driven by naval modernization, demand for greener and autonomous vessels, and global trade recovery. The global shipbuilding market size was valued at USD 150.42 billion in 2024 and is expected to grow from USD 155.58 billion in 2025 to reach USD 203.76 billion in 2033, growing at a CAGR of 3.43% over the forecast period 2025-2033. This anticipated growth is driven by economic growth in emerging markets, growth of sea borne trade, global focus on de-carbonisation and supportive government policies. Surge in naval spending amid geopolitical tensions, proliferation of autonomous and smart ships, thrust towards green vessels including retrofitting of older vessels are key indicators of resurgence of the industry. It is evident that the future of shipbuilding lies in innovation, sustainability, and strategic investments in both infrastructure and skilled workforce. With focus on innovation, digitalization and automation in ship design and construction, to achieve enhanced productivity and competitiveness, the shipyard is well poised to capitalize on the emerging opportunities.

Ship Repair

Ship repair market across defence & commercial customers which together presents an opportunity worth around ₹15,000 crore globally in the next 5 years. Global ship repair market is currently dominated by shipyards in China, Singapore and Middle East largely due to the availability of a skilled workforce and latest technology. Though India's share in global ship repair is less than 1%, the country's location is favourable with 7% to 9% of the global trade passing within 300 NM of the coastline.

Ship repair industry being labour intensive, India has the advantage of having a strong work force to cater for the requirement. However, the untapped potential in the Indian ship repair market can be attributed to the presence of competing international ship repair yards on major trade routes and a capability gap of Indian yards in repairing certain kinds of vessels. The shipyard has focused on increasing its ship repair infrastructure to tap opportunities in this important sector.

1.2 The Indian Scenario

Shipbuilding

Indian defence shipbuilding presents a large opportunity worth more than ₹1.5 lakh crore over the next decade. Additionally, commercial shipbuilding also presents an opportunity worth ₹12,000 – ₹15,000 crore/year with coastal shipping, dredgers, ferries & cruises and gas carriers emerging as the biggest segments. Further, the Maritime India Vision 2030 ('MIV 2030') targets major increase in the utilization of National Waterways and coastal routes for increased movement of cargo and passengers. With the number of operational waterways targeted to increase from 16 to 23 by 2030, the annual cargo movement on these waterways is expected to grow from 73 MT per Annum to over 200 MT per Annum. Annual passenger movement by

ferry operations is also projected to increase from 14 crore to 70 crore by 2030. To achieve objectives of the Government of India's Sagarmala program, it is estimated that India's existing coastal and inland waterways fleet would need to be tripled over the next decade. This has the potential to create a shipbuilding demand of about 12.75 million CGT. These opportunities, along with the National thrust to transition to Green Shipping also presents a new opportunity for shipbuilders in the country. The shipbuilding policy announced by the Government of India granting financial assistance to the shipbuilding industry (for non-defence ships) aims to help Indian Shipbuilders to be more cost competitive at a global level. Our government has recognised the need for further developing transportation network of the rivers and various initiatives including those under the new 'National Logistics Policy' is expected to provide a thrust to Inland Water Transport (IWT) and create demands for Indian built ships. Your company is leveraging these initiatives of the government to make a mark on the commercial shipbuilding sector as well.

Defence shipbuilding in India continues to remain an area of focus of both the public and private sector shipyards. While the five public sector shipyards including your Company are the frontrunners in the defence shipbuilding space, private shipyards are also undertaking specific measures to enhance competence and modify their existing shipbuilding infrastructure to suit the needs of the Indian Armed Forces. Among the private shipyards, L&T Shipbuilding and Shoft Shipyard, which entered the shipbuilding market as commercial shipbuilders, have been repositioning themselves as capable warship builders. The Indian shipbuilding industry's order book is expected to receive a boost on account of the Indian Navy and Indian Coast Guard's ambitious ship acquisition plans as these forces plan to have a fleet of 200 ships each. Their combined shipbuilding programme spanning over next 15 years, indicates that they would place orders for more than 150 warships in the coming years.

Ship Repair

To capitalize on the market opportunities anticipated in the area of maintenance, repairs, refits and upgrades of Indian Navy and Indian Coast Guard ships, GRSE intends to increase focus on repair and refitting of Indian Navy and Indian Coast Guard vessels.

The untapped potential in the Indian commercial ship repair market can be attributed to the presence of competing international ship repair yards on major trade routes and a capability gap of Indian yards in repairing certain kind of vessels. Other reasons include high cost of financing, lack of supply of ship spares in India and technology related issues increasing ship repair execution cycle time. However, the present global economic scenario provides a window of opportunity to Indian ship repairers.

Under 'MIV 2030', the government is giving a strong push with initiatives such as channelizing the domestic demand leveraging Atmanirbhar Policy, increasing and improving infrastructure through better access to financial instruments, enhancing ease of doing business and improving efficiencies by creating free trade depots, maritime clusters etc. Your company remains committed

to leveraging these initiatives of the government and continue to make major contributions to nation building.

2. PRODUCTS AND SERVICES

Being a Defence PSU, GRSE is primarily engaged in construction of warships for Indian Navy and Indian Coast Guard. From building 05-ton boats to a 24600-ton Fleet Tanker, GRSE has proved its mettle as the premier warship builder of the nation. Over the last 65 years, GRSE has built around 800 platforms which include 111 warships to Indian Navy, Indian Coast Guard, Govt. of Mauritius & Govt. of Seychelles which is the highest number of warships built & delivered by any shipyard in the country. Over the years, GRSE has demonstrated top of the line capabilities for in-house ship design & ship building and has made significant contribution to the success of indigenous warship construction program by successfully designing and building a multitude of complex warships such as Frigates, Anti-Submarine Warfare Corvettes, Missile Corvettes, Fleet Tanker, Landing Ship Tank (Large), Landing Craft Utility (LCU), Offshore Patrol Vessel, Fast Patrol Vessels, Inshore Patrol Vessels, Water Jet Fast Attack Crafts, Survey Vessels (Large) etc. The shipyard has also embarked on a mission to develop the capability to design and construct zero emission vessels and one such vessel "Dheu" (the largest zero emission ferry in the country) is already making news as she operates successfully on the river Hoogly. 13 more green ferries are currently under construction. Unmanned Surface Vessels, Autonomous Underwater Vehicles and Ship Based Drones are also some of the other focus areas for the shipyard, with various advanced vehicles already developed and included in the product portfolio.

GRSE has created its Ship Repair Division focusing on ship repair business both in commercial and defence segments. Towards augmentation of infrastructure for undertaking ship repair and refits on a large scale, GRSE had signed a Concession Agreement with Syama Prasad Mookerjee Port, Kolkata (SMPK) on 07 Oct 2021 towards development & utilisation of three existing dry docks of Khidderpore Dry Dock (KPDD) complex of SMPK located at Khidderpore, Kolkata. Further, one more Dry Dock is being taken over from SMPK to provide a boost to the ship repair segment.

Apart from shipbuilding & ship repairs, GRSE has diversified into Engineering Business. The engineering product profile includes pre-fabricated steel bridges of various ranges & types and various deck machinery items such as Anchor Capstans, Boat Davits etc. The Engine Division of the company is involved in Assembly/ Testing/ Overhauling of Marine Diesel Engines and manufacture of Diesel Alternators.

GRSE has also diversified into weapons. An order for 30 mm Naval Gun is currently under execution in collaboration with local firm with technical support from an established foreign entity. The first gun has already been delivered successfully to the Navy after extensive testing and trials.

3. SWOT ANALYSIS

Considering the dynamic nature of the environment, a SWOT Analysis of GRSE was carried out and the following are identified:

Strengths

- (a) Possession to four Shipyards in Kolkata including three dedicated for Shipyards and one for ship repairs.

- (b) Dedicated Fitting out Jetty to concurrently undertake post-launch outfitting of four large ships.
- (c) ISO 9001:2015, ISO 45001:2018, ISO 14001:2015 & ISO 50001:2018 Certification.
- (d) Proven capability to produce a wide spectrum of ships ranging from 5-ton boats to 24600-ton fleet tankers.
- (e) Proven in-house capability for ship design in terms of good infrastructure with a seamless IT Network including Design Software.
- (f) Dedicated Virtual Reality (VR) Lab for detail design evaluation.
- (g) Robust E-Procurement and e-auction system.
- (h) Long-standing relationships with main customers like Indian Navy and Indian Coast Guard.
- (i) Well-established planning function leveraging the latest Project Management Software.
- (j) Dedicated Export Cell for a multi-fold increase in the export of defence & commercial ships and engineering products.
- (k) Leveraging the immense potential of startup eco system in the country for development of innovative solutions in shipbuilding, through GRSE Accelerated Innovation Nurturing Scheme (GAINS).
- (l) MoUs with Centres of Excellence to enhance R&D capabilities.
- (m) MoU with global firms for Indigenous development of High-Speed Diesel Engines and Waterjet propulsion systems.
- (n) Having State of Art Infrastructure for performing various operational activities.

Weaknesses

- (a) Constraints of a riverine shipyard due to limitations in the depth and width of navigable channels with effects of silting in rivers.
- (b) Location of the company in densely populated residential areas having narrow roads.
- (c) Weak shipbuilding ecosystem in the eastern part of India.

Opportunities

- (a) Acquisition plan of Indian Navy and Indian Coast Guard aimed at significant expansion of fleet size.
- (b) Acquisition plan of MHA & IWAI and thrust given by Govt initiatives such as Sagarmala and Jal Marg Vikas.
- (c) Government policy on thrust for exports including extension of Line of Credit (LoC).
- (d) Export potential especially for small and medium-size warships and patrol vessels to South East Asia, West Asia, African Countries, and Latin America.
- (e) Repair and Refit of Ships for the Indian Navy and Indian Coast Guard has significant business potential.
- (f) Capacity and Capability enhancement through collaboration with private shipyards.

- (g) Scope for increasing business volumes in Bridges, Engineering Products, and Engines through aggressive marketing, capacity augmentation, and product diversification.
- (h) Capability of developing basic design of varied range of vessels which can be utilized in rendering design and associated services to other shipyards enabling the Design Office to become a separate cost centre.
- (i) Growing market for autonomous vessels and green ships.
- (j) Leveraging strategic collaboration with other shipyards, such as the MoU with Modest shipyard to expand capacity.

Threats

- (a) Competition from Private and Public Shipyards.
- (b) Large dependency on customers at every stage of shipbuilding.
- (c) Relatively low availability of ancillary industry locally to support major shipbuilding activities.
- (d) Equipment delivery delays due to nomination of specific firms by customer, with potential impact of timelines.
- (e) Lack of congruence with respect to the accepted Build specification of the customer.
- (f) Competition for Engineering Products from small players.
- (g) Emerging private sector firms in the Indian shipbuilding industry and their impact on the Indian Navy and Coast Guard shipbuilding/ship repair market.

From the above SWOT analysis, it emerges that the Company needs to leverage its strengths through Technology driven processes and strategic partnerships to create a competitive advantage for maximizing available opportunities, while continuously improving internal efficiencies and modern HR practices towards becoming a well-diversified, globally competitive and growth focused shipyard. There are significant opportunities available to the Company to build Defence, Commercial, Coastal Security and Inland Water Vessels and also in the field of ship repairs. New opportunities are emerging in the export market for Defence as well as Commercial Shipbuilding which needs to be leveraged through a targeted competitive approach. Accordingly, the Company's efforts are being focused in capitalizing on such opportunities based on the Company's strengths and on minimizing the adverse effect of its weaknesses. The inherent strength of infrastructure and production facilities are also being channelized to develop reliable vendors who can continuously support shipbuilding in order to successfully capitalize on the emerging opportunities and reducing the impact of prevailing threats.

4. OUR STRATEGIES

We intend to pursue the following principle strategies to exploit our competitive strengths and grow our business:

- (a) Shipbuilding capacity augmentation through creation of new shipbuilding facilities on the Eastern and Western Seaboard.
- (b) Thrust towards cost reduction and improvement of internal efficiency leading to enhanced productivity.
- (c) Leverage new and emerging technologies in operations.

- (d) Adopt Industry 4.0 suitably in business operations of the Shipyard.
- (e) Focus on enhancement of Customer satisfaction through "On-time" deliveries and exceed Quality expectations.
- (f) Maximise indigenous content in warship construction.
- (g) Optimise utilization of space and maximising use of integrated construction to bring down Build Period.
- (h) Business Development through concerted marketing effort, focusing on Exports.
- (i) Developing allied engineering Businesses with focused approach.
- (j) Enhance Human Resource Development through identification of competency gaps and imparting suitable training to employees keeping overall business strategy on a focal point.
- (k) Facilitate development of vibrant eco system for Shipbuilding activities in Eastern region.
- (l) Product Diversification with focus of new technology products including Green Energy Platforms and Autonomous Vehicles.
- (m) Fostering working partnerships with startups / industry to minimise technology gaps and leverage complementary strengths to develop cutting edge products.

5. SEGMENT-WISE / PRODUCT-WISE PERFORMANCE

The Ministry of Corporate Affairs vide Notification dated 23 Feb 2018 granted exemption to the companies engaged in defence production to the extent of application of relevant Accounting Standard on segment reporting. Hence, the segment-wise / product-wise performance is not appended to this Report.

6. OUTLOOK

The Shipbuilding segment continues to look promising both in the defence and non-defence segments. In this defence segment, this is primarily on account of the ship acquisition plans of the Indian Navy and the Coast Guard. A slew of initiatives already implemented and under implementation by the GoI are expected to boost the Indian shipbuilding industry in the non-defence segment.

Your Company is predominantly in the Defence Shipbuilding segment and has gained sufficient expertise in large, medium and small size ships required by Indian Navy and Indian Coast Guard, in particular, and generally enjoys excellent reputation for ships that it has built. Your Company has delivered its 110th warship, (Survey Vessel Large 'INS Nirdeshak' to Indian Navy) on 08 Oct 2024, a unique achievement unsurpassed by any shipyard in the country.

GRSE is operating in a highly competitive environment across all its product segments. Despite competition from International and Indian Shipyards in Public and Private sector, your Company continues to make efforts to secure shipbuilding orders at domestic and international level and is maintaining a healthy growth momentum.

In order to move forward the ship repair activity, the Concession agreement with SMP (KoPT) to develop and utilize 03 existing

dry docks of SMP is being effectively utilized to boost the ship repair efforts of GRSE. Docking and repair /refit of a number of commercial as well as Indian Coast Guard Ships were successfully undertaken in this newly acquired facility during FY 2024-25. This collaboration will also contribute to the shipyard's capability to take on the emerging opportunities in shipbuilding, repair and refits. The Company is also giving additional thrust to its ship repair activities by strengthening the teams.

In addition, the company has also created a dedicated "Commercial Shipbuilding" division to provide impetus in this segment with huge market potential, especially for exports. Also, your company has focused on new product development in the segments of autonomous & green energy platforms and portable steel bridges.

7. MEASURES TO TACKLE CHALLENGES

The following are the major initiatives taken to ensure sustained performance and growth:

- a) Streamlining Material Management / Supply Chain Management with focus on "Ease of doing Business".
- b) Vendor development & building long term partnerships.
- c) Improve Project Management System for shipbuilding projects through creation of dedicated Project Management Teams.
- d) Upgrade shipbuilding technology / processes through new technology adoption
- e) Upgrade products of Bridges Unit, Deck Machinery Unit and Diesel Engine Plant
- f) Business Development through concerted marketing effort for Exports, specifically by appointing MRs in targeted nations.
- g) Product diversification with products ranging from "Warships to Weapons"
- h) Creating Strategic Partnerships for Export / Special Projects
- i) Measures for increasing VoP from Ship Repair (SR) Business
- j) Measures for increasing VoP of Portable Bridges, Deck Machinery and Diesel Engine Businesses
- k) Achieve 100% compliance for working on PLM software
- l) Reduction in Revenue Expenditures
- m) Efficient Risk Analysis and Mitigation Plans
- n) Leverage new age Technology (ICT) for better management of operations
- o) Shipyard Capacity Enhancement
- p) Creation of a "Innovation & New Technology" department
- q) Leveraging the Indian Startup eco system to facilitate new technology adaptation
- r) Creation of Commercial Shipbuilding Department.

8. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company maintains adequate internal controls implemented towards achieving effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations which are appropriate to the nature and size of the business. The internal control framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets, executing transactions with proper authorisation and ensuring compliance with corporate policies. The Company has laid down Standard Operating Procedures and policies to guide the operations of each of its functions, to ensure integrity in conducting its business, ensuring compliance with policies, accuracy and completeness in maintaining accounting records, prevention and detection of frauds and errors. The efficacy of the various policies is evaluated for the dynamic and evolving business environment. Process owners are responsible for ensuring compliance with these policies and procedures. Continuous internal monitoring mechanisms ensure timely identification of risks and issues.

The Company has an Internal Audit Department, which monitors compliances of Company's procedures, and policies. The Audit Committee of the Board reviews the annual internal audit plan covering core business operations, corporate departments as well as support functions and significant audit observations are reported to the Audit Committee of Board of Directors. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Company is also subject to Audit by Comptroller & Auditor General of India. The Audit Committee reviews adequacy and effectiveness of your Company's internal control environment and monitors the implementation of audit recommendations.

9. RISK MANAGEMENT

The Company has in place a Board approved Risk Management Policy and Charter and implemented a structured risk management system. The Company's Enterprise Risk Management ('ERM') process is based on ISO 31000 standards. Risk Management Committee ('RMC') of the Board provides oversight and sets the tone for implementing the ERM framework across the organisation. It reviews the status of key risks, progress of ERM implementation across locations, as well as risk governance. The key risks faced by the company are analysed by the Risk Management Steering Committee (RMSC), which is responsible for adopting & implementing the risk management framework and leading the risk management initiative across the company. The Chief Risk Officer (CRO) is the convener of RMC & RMSC. Risk management committees at unit level analyse risks associated with their respective areas, prepare mitigation plans, ensure implementation and also inform the top management. The Committee updates the Board from time to time on risk management and mitigation to ensure that executive management controls risk by means of a properly designed framework.

10. DISCUSSION AND ANALYSIS ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Performance Highlights of the Company during the year ended 31 Mar 2025 are as follows:

(₹ in crore)

Particulars	As on 31 Mar 2025	As on 31 Mar 2024
Gross Income	5,410.53	3,892.26
Revenue from Operations	5,075.69	3,592.64
Value of Production	5,070.98	3,588.46
Gross Profit	756.10	533.74
Profit Before Tax	703.29	480.92
Tax Expense	175.89	123.65
Profit After Tax	527.40	357.27
Net Worth	2,079.26	1,673.44
Book Value per Share (in ₹)	181.51	146.09
Earnings Per Share (in ₹)	46.04	31.19
Dividend Per Share (in ₹)	13.85	9.36

Ratios Analysis:

Ratios	As at 31 March, 2025	As at 31 March, 2024	% of Variance
Debtors Turnover	22.38	29.32	-24
Inventory Turnover	1.25	0.99	26
Interest Coverage Ratio	69.13	42.86	44
Current Ratio	1.17	1.12	4
Debt Equity Ratio	0.004	0.005	-20
Gross Profit Margin (%)	13.97	13.71	2
Net Profit Margin (%)	10.39	9.94	5
Return on Net Worth (%)	28.11	23.14	21

(₹ in crore)

Import and Export	As on 31 Mar 2025	As on 31 Mar 2024
Imports consumed during the year	419.00	332.88
Exports made during the year	73.63	46.90

- **Gross Revenue** registered a rise of 39.01% from ₹3,892.26 crore in 2023-24 to ₹5,410.53 crore in 2024-25.
- **Value of Production** has increased by 41.13% from ₹3,588.46 crore in 2023-24 to ₹5,070.98 crore in 2024-25.
- **Net Profit (PBT)** registered a rise of 46.24%, increased from ₹ 480.92 crore in 2023-24 to ₹703.29 crore in 2024-25.
- **Inventory Turnover:** Company's turnover has been significantly increased whereas average inventory levels remained similar to previous year. Hence, Inventory turnover ratio has improved.
- **Interest Coverage Ratio:** Interest expenses/ Finance costs are low and profits have been increased resulting higher interest coverage.
- **Return on Net Worth:** The Profits After Tax (PAT) increased from ₹ 357.27 crore in 2023-24 to ₹ 527.40 crore in 2024-25 resulting into increase in Return on Net Worth.
- **Value Addition Per Employee** has increased from ₹80.97 lakh in 2023-24 to ₹87.56 lakh in 2024-25.
- **Book Value per share** has increased from ₹146.09 in 2023-24 to ₹181.51 in 2024-25.

11. HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

The details regarding Human Resource Development and Industrial Relations are more specifically covered in the Directors’ report.

12. MANPOWER

The employee strength of your Company was 1660 persons as on 31 Mar 2025.

Total Employees as on 31 Mar 2025	Officers	Supervisors	Office Assistants	Workmen		
				Direct	Indirect	Total
1690	525	189	60	767	149	916

13. ENVIRONMENT PROTECTION

Your Company contributes in all aspects towards a clean and green environment by systematically integrating best practices to bring in cleaner technologies and greening the environment through recycle, reuse and reduce approach. Effluent and Sewage Treatment Plants are being operated. Various environmental protection activities such as water conservation, tree plantation, disposal of hazardous waste and metal scrap, e-waste management and maximizing use of solar energy are also being diligently carried out.

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

Relevant information in this regard is disclosed in the ‘Directors’ Report’.

15. CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY (CSR)

Relevant information in this regard is disclosed in the section ‘Annual Report on CSR Activities’ provided at Appendix – “E” of the Directors’ Report.

Cautionary Statement- Certain statements made in the Management Discussion and Analysis Report related to the Company’s objectives, projections, outlook, expectations, estimates and other may constitute ‘forward looking statements’ within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on whether expressed or implied. Several factors could make significant difference to the Company’s operations. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities and so on over which the Company does not have any direct/indirect control.

REPORT ON CORPORATE GOVERNANCE

(FOR THE FINANCIAL YEAR 2024-25)

ADOPTED CORPORATE GOVERNANCE PHILOSOPHY

1. Corporate Governance at your Company is centered on creating and sustaining long-term value for all our stakeholders including regulators, employees, customers, vendors, investors, and society at large, through ethical and transparent business practices. We believe that effective corporate governance is the cornerstone of a resilient and successful enterprise. The Company's governance framework is built on strong leadership, accountability, and integrity. Our corporate structure, business practices, and disclosure mechanisms are closely aligned with our governance philosophy, ensuring transparency, fairness, and responsibility in all aspects of our operations.
2. The Company has complied with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as well as the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010, issued by the Department of Public Enterprises (DPE).

BOARD OF DIRECTORS

3. As per the provisions of the Companies Act, 2013, your Company is a Government Company, with 74.50% of its total paid-up share capital held by the President of India, acting through the Ministry of Defence, Government of India. Being a Government Company, the appointment and tenure of all Directors are determined by the President of India, through the administrative Ministry. None of the Directors are related inter se.

4. The Board of Directors, chaired by the Chairman & Managing Director, is the highest decision-making body responsible for overseeing the overall functioning of the Company. It provides strategic direction, ensures accountability for performance, and sets long-term goals aligned with the Company's Vision Statement through a structured Long-Term Perspective Plan.
5. The Board is entrusted with the ultimate responsibility of governance, performance, and value creation for shareholders. In order to facilitate effective and timely decision-making, the Board has constituted various Sub-Committees, each tasked with specific responsibilities.

SIZE AND COMPOSITION OF THE BOARD

6. The Board of the Company is comprised of Executive (Whole-Time) Directors, Non-Executive (Part-Time Official) Government Nominee Director and Non-Executive (Part-Time Non-Official) Independent Directors. As on 31 Mar 2025, the Board of Directors of your Company does not have an optimum combination of Executive and Non-Executive Directors in line with requirements of Corporate Governance norms. As of that date, the Board comprised of a total six (06) Directors comprised of four (04) Whole-Time Directors, one (01) Government Nominee Director, and one (01) Part-Time Non-Official Director (Independent Director).
7. The details of the composition of the Board of Directors of your Company during the period from 01 Apr 2024 to 31 Mar 2025 are provided below:

Name of the Directors	Date of Appointment	No. of Directorship in other Public Companies [#]		No. of Board Committee positions held in other Companies ^{##}		Directorship in other listed entity & category
		Chairperson	Member	Chairperson	Member	
Whole-Time / Functional Directors (Executive)						
Cmde P R Hari, IN (Retd.), Chairman & Managing Director	10 Jun 2022	-	-	-	-	-
Shri Ramesh Kumar Dash, ^[1] Director (Finance) & CFO	01 Jul 2020	-	-	-	-	-
Cdr Shantanu Bose, IN (Retd.), Director (Shipbuilding)	08 Jun 2022	-	-	-	-	-
DIG Subrato Ghosh, ICG ^[2] (Retd.), Director (Personnel)	20 Jun 2023	-	-	-	-	-
Government Nominee Director (Non-Executive)						
Shri Rajeev Prakash, ^{[3] [4] [5]} Government Nominee Director, Joint Secretary (Naval System)	23 Jun 2022	-	03	-	-	2
Dr. Garima Bhagat, ^[6] Government Nominee Director, Joint Secretary (Land System)	23 Dec 2024	-	02	-	-	-
Part-Time Non-Official (Independent Directors) (Non-Executive)						
Shri Sanjay Dattatraya Panse ^[7]	27 Dec 2021	-	03	01	03	-
Shri Sanjeeb Mohanty ^[8]	06 Apr 2022	-	-	-	-	-

Excluding Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships

In accordance with Regulation 26 of the SEBI (LODR) Regulations, 2015, Membership / Chairpersonship of only Audit Committee and Stakeholders' Relationship Committee are considered.

^[1] Superannuated as Director (Finance) of the Company w.e.f. 01 Jun 2025

^[2] Superannuated as Director (Personnel) of the Company w.e.f. 01 May 2025

^[3] Ceased as Government Nominee Director of BEML Limited w.e.f. 29 Apr 2024

^[4] Appointed as Government Nominee Director of Bharat Electronics Limited w.e.f. 10 Sep 2024

^[5] Ceased as Government Nominee Director of the Company w.e.f. 11 Dec 2024

^[6] Appointed as Government Nominee Director of the Company w.e.f. 23 Dec 2024

^[7] Completed his tenure as Independent Director of the Company w.e.f. 27 Dec 2024

^[8] Completed his tenure as Independent Director of the Company w.e.f. 06 Apr 2025

8. One (1) Part-Time Official Director, has been inducted to the Board of Directors during the year under review. Brief Resume of the newly appointed Director are provided below:

Dr. Garima Bhagat, Joint Secretary (Land System), Ministry of Defence

Dr. Garima Bhagat is a B.Tech (Gold Medalist), M.Tech, MA (Economics), LLB (Gold Medalist) and a PhD from IIT Delhi. She secured Rank 1 in Higher Secondary Examination (1990) and Rank 1 in Engineering Service Exam, UPSC (1994). She is a 1996 batch Indian Revenue Service Officer (IRS-IT).

With over 28 years of public service experience in the Government of India, Dr. Bhagat has accumulated extensive expertise in areas such as taxation, anti-corruption, public procurement, administration and competition law. She has held several significant positions within the Central Board of Direct Taxes (CBDT) and the Government of India. She has also served as the Chief Vigilance Officer at the Employees' State

Insurance Corporation (ESIC) and as Joint Director General at the Competition Commission of India. Dr. Bhagat has also been a regular visiting faculty member at various apex educational and training institutions. She is the author of several research papers in leading international journals as well as 3 books on taxations. Prior to her current role as Joint Secretary (Land System) in the Department of Defence Production, Ministry of Defence, Government of India, she served as Commissioner of Income Tax in Delhi.

She has no inter-se relationship with other Directors in the Company. Further, she does not hold any equity shares of the Company.

Other Directorships:

Sl. No.	Name of the Companies / bodies corporate / firms / association of individuals	Nature of interest or concern / Change in interest or concern	Date on which interest or concern arose / changed
1.	Armoured Vehicles Nigam Limited	Part-time official Director	23 Dec 2024 (Appointment)
2.	Advanced Weapons and Equipment India Limited	Part-time official Director	23 Dec 2024 (Appointment)
3.	India Optel Limited	Part-time official Director	19 May 2025 (Appointment)

KEY BOARD EXPERTISE AND SKILLS

9. The Directors on the Board of your Company are appointed by the President of India, acting through the Ministry of Defence, the Government of India. These appointments are made through a meticulous screening process adopted by the Government of India.
10. The Board of your Company comprises of qualified members who bring in the required skills, competence, expertise, and experience that allow them to provide effective oversight and valuable guidance to the Board and its Committees. The Directors are committed to ensuring that the Board is in compliance with the highest standards of Corporate Governance. The table below summarizes the key skills, expertise, and attributes which, in the opinion of the Board, are required for the effective functioning of the Company, particularly in the context of its business environment:

Skills and Attributes	Description
Organisational Purpose	Ability to understand the industry and operational dynamics, maritime needs of the nation, and the broader socio-economic, political, regulatory, and competitive environment, both domestic and global. Capacity to identify emerging opportunities and risks and contribute to the development of a compelling long-term vision for the Company.
Financial and Managerial Acumen	Expertise in accounting, finance, business strategy, general management practices, risk management, human resources, labour laws, internal controls, and crisis management. Possession of sound business judgment and macroeconomic awareness.
Policy Evaluation	Ability to assess and review policies, systems, and procedures in light of the legal framework, applicable Government directives, and evolving business needs.
Corporate Governance	Strong understanding of regulatory compliance, Board and management accountability, stakeholder protection, and best practices in corporate governance, with the ability to support and strengthen governance frameworks.
Technological Understanding	Understanding of emerging trends in technology and innovation that may have an impact on the business and have the ability to guide necessary interventions that can be utilised in making the business more competitive and sustainable.
Culture Building	Commitment to promoting an ethical, transparent, and accountable organizational culture. Ability to eliminate conflicts of interest and uphold the highest standards of integrity and conduct.

11. Given below is a list of core skills, expertise and competencies of individual Directors:

Name of Director	Skills / Expertise / Competencies					
	Organisational Purpose	Financial and Managerial acumen	Policy Evaluation	Corporate governance	Technological understanding	Culture Building
Cmde P R Hari, IN (Retd.)	√	√	√	√	√	√
Shri Ramesh Kumar Dash	√	√	√	√	√	√
Cdr. Shantanu Bose, IN (Retd.)	√	√	√	√	√	√
DIG Subrato Ghosh, ICG (Retd.)	√	√	√	√	√	√
Dr. Garima Bhagat	√	√	√	√	√	√
Shri Sanjeeb Mohanty	√	√	√	√	-	√

BOARD PROCEDURE

12. The Board of Directors meet at least once every quarter and more frequently if deemed necessary. These meetings serve as a platform for reviewing and formulating key policies and strategies, monitoring and reviewing performance, approving high-value contracts, and exercising oversight on critical aspects of the Company's functioning. The key agenda items typically include, review and simplification of policies and procedures to enhance ease of doing business, strategic planning for business development, delegation of powers and authority, review and approval of quarterly, half-yearly, and annual financial results, approval of annual accounts, budgets, and the Annual Operating Plan, and consideration of matters that are statutorily required to be placed before the Board.
13. Your Company places significant emphasis on structured and well-prepared Board Meetings. Detailed agenda notes, supported by comprehensive background materials, are circulated to the Directors well in advance to facilitate informed and effective decision-making. The Board members are also encouraged to raise additional matters, in consultation with the Chairman, for discussion and consideration. As and when required, senior executives of your Company are also invited to attend Board Meetings and to provide expert insights and necessary clarifications on specific issues. The Part-Time Directors contribute significantly to Board deliberations, leveraging their extensive expertise in areas such as technology, finance, marketing, public policy, governance and operations, thereby enriching the quality of Board discussions and decisions.

MEETINGS AND ATTENDANCE

14. During the year 2024-25, Nine (09) Board Meetings were held, as follows:

Sl. No.	Date	Board Strength	No. of Directors Present
1.	22-May-24	07	06
2.	07-Jun-24	07	07
3.	30-Jul-24	07	07
4.	08-Aug-24	07	06
5.	28-Oct-24	07	06
6.	13-Nov-24	07	06
7.	16-Dec-24	06	06
8.	03-Feb-25	06	06
9.	11-Mar-25	06	05

15. The maximum interval between any two Board Meetings held during the year was Eighty (80) days. The details of Directors' attendance at the Board Meetings and Annual General Meeting held during the FY 2024-25 are given below:

Name of the Director	Meeting held and attended during respective Tenure of Directors									% of attendance	Attendance at the last AGM held on 20 Sep 24
	22-May-24	07-Jun-24	30-Jul-24	08-Aug-24	28-Oct-24	13-Nov-24	16-Dec-24	03-Feb-25	11-Mar-25		
Cmde P R Hari, IN (Retd.)										100	
Shri Ramesh Kumar Dash										100	
Cdr. Shantanu Bose, IN (Retd.)										100	
DIG Subrato Ghosh, ICG (Retd.)										100	
Shri Rajeev Prakash ^[1]	x			x	x	x	NA	NA	NA	33.33	
Dr. Garima Bhagat ^[2]	NA	NA	NA	NA	NA	NA	NA		x	50.00	NA
Shri Sanjay Dattatraya Panse ^[3]								NA	NA	100	
Shri Sanjeeb Mohanty										100	

- Present x - Absent NA - Not Applicable

^[1] Ceased as Government Nominee Director of the Company w.e.f. 11 Dec 2024

^[2] Appointed as Government Nominee Director of the Company w.e.f. 23 Dec 2024

^[3] Completed his tenure as Independent Director of the Company w.e.f. 27 Dec 2024

COMMITTEES OF THE BOARD

16. To ensure focused oversight and effective management of the day-to-day affairs of your Company, the Board has constituted seven (7) Sub-Committees. These committees are entrusted with specific responsibilities and play a crucial role in facilitating efficient decision-making process and governance. The Board Committees consists of the following:

- (a) Audit Committee
- (b) HR, Nomination and Remuneration Committee

- (c) CSR & Sustainability Committee
- (d) Stakeholders Relationship Committee
- (e) Risk Management Committee
- (f) Procurement Committee
- (g) Legal Committee

17. Each Committee operates under a defined charter or terms of reference and reports its findings and recommendations to the Board of Directors for consideration and approval.

18. The details about the above-mentioned Sub-Committees of the Board of Directors are provided below.

MANDATORY COMMITTEES OF THE BOARD

Audit Committee

19. The Audit Committee of the Company was duly constituted and functional from 01 Apr 2024 to 26 Dec 2024. However, from 27 Dec 2024 to 31 Mar 2025, the Audit Committee could not be

reconstituted following the completion of the tenure of Shri Sanjay Dattatraya Panse. Independent Director. Due to non-availability of the requisite number of Independent Directors on the Board of the Company, the composition of the Audit Committee during this period did not conform to the provisions of the Section 177 of the Companies Act, 2013, the DPE Guidelines on Corporate Governance for CPSEs, 2010 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), hence not reconstituted.

20. The Independent Directors of your Company are appointed by President of India acting through the Ministry of Defence, Government of India and such appointment is pending at their end. The Company has been taking up the matter with Administrative Ministry for appointing requisite number of Independent Directors on the Board of the Company from time to time.

21. The composition of the Audit Committee of the Board of Directors as on 26 Dec 2024 was as follows:

(a)	Shri Sanjay Dattatraya Panse <i>Independent Director</i>	Chairperson
(b)	Shri Sanjeeb Mohanty <i>Independent Director</i>	Member
(c)	Cdr Shantanu Bose, IN (Retd.) <i>Director (Shipbuilding)</i>	Member
















22. The Director (Finance) is the Permanent Special Invitee to the Audit Committee. The Company Secretary serves as the Secretary to the Audit Committee. Additionally, General Manager (Finance), Additional General Manager (Internal Audit), Statutory Auditors (for discussions on quarterly and annual accounts) and Internal Auditors (for discussion on internal audit reports) of the Company attend the Meetings of the Audit Committee on a regular basis, as applicable.

23. The terms of reference of the Audit Committee are specified in accordance with Section 177 of the Companies Act, 2013 and the rules framed thereunder, the SEBI Listing Regulations and the Guidelines on Corporate Governance issued by the Department of Public Enterprises. The primary function of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reports, Company's systems of internal controls regarding finance, accounting and legal compliance that management and the Board have established and Company's auditing, accounting and financial reporting process generally.

24. The Audit Committee reviews reports of the Internal Auditors, meets Statutory Auditors and discusses their findings, suggestions and other related matters and reviews the major accounting policies followed by your Company. The Audit Committee reviews the quarterly, half yearly and annual financial statements before their submission to the Board. The Committee also reviews the functioning of whistle blower mechanisms and effective implementation of Insider Trading Code in the Company.

25. The Chairman of the Audit Committee apprises the Board about the observations of the Audit Committee during the Board Meetings. The Minutes of the Audit Committee Meetings are placed before the Board at its subsequent meetings for information. All the recommendations made by the Audit Committee were accepted by the Board during the year.

26. During the financial year 2024-25, Five (05) Meetings of the Audit Committee were held. The details of member attendance at these meetings are provided below:

Name of the Director	Meeting held and attended during respective Tenure of Directors					% of attendance
	22-May-24	07-Jun-24	07-Aug-24	27-Oct-24	13-Nov-24	
Shri Sanjay Dattatraya Panse <i>Independent Director</i>						100
Shri Sanjeeb Mohanty <i>Independent Director</i>						100
Cdr Shantanu Bose, IN (Retd.) <i>Director (Shipbuilding)</i>						100

 Present  - Absent NA - Not Applicable

HR, Nomination and Remuneration Committee

27. The HR, Nomination and Committee of the Company was duly constituted and functional from 01 Apr 2024 to 10 Dec 2024. However, from 10 Dec 2024 to 31 Mar 2025, the Audit Committee could not be reconstituted following the cessation of Shri Rajeev Prakash, Government Nominee Director and cessation of Shri Sanjay Dattatraya Panse. Independent Director. Due to non-availability of the requisite number of Independent Directors on the Board of the Company, the composition of the HR, Nomination and Remuneration Committee during this period did not conform to the provisions of the Section 178 of the Companies Act, 2013, the DPE Guidelines on Corporate Governance for CPSEs, 2010 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), hence not reconstituted.












28. The Independent Directors of your Company are appointed by President of India acting through the Ministry of Defence, Government of India and such appointment is pending at their end. The Company had been taking up with the matter with Administrative Ministry for appointing requisite number of Independent Directors on the Board of the Company from time to time.

29. The composition of the HR, Nomination and Remuneration Committee of the Board of Directors up to 10 Dec 2024 was as follows:

(a)	Shri Sanjeeb Mohanty <i>Independent Director</i>	Chairperson
(b)	Shri Sanjay Dattatraya Panse <i>Independent Director</i>	Member
(c)	Shri Rajeev Prakash <i>Government Nominee Director</i>	Member

30. The Director (Personnel) is a Permanent Special Invitee to the Committee. The Company Secretary is the Secretary to the Committee.

32. During the financial year 2024-25, Four (04) Meetings of the HR, Nomination and Remuneration Committee were held. The details of member attendance at these meetings are provided below:

Name of the Director	Meeting held and attended during respective Tenure of Directors				% of attendance
	07-Jun-24	05-Jul-24	07-Aug-24	12-Nov-24	
Shri Sanjeeb Mohanty <i>Independent Director</i>					100
Shri Sanjay Dattatraya Panse <i>Independent Director</i>					100
Shri Rajeev Prakash <i>Government Nominee Director</i>				x	75

 - Present x - Absent NA - Not Applicable

33. All the recommendations made by the HR, Nomination and Remuneration Committee were accepted by the Board during the year.

34. **Performance Evaluation of Directors** – The Ministry of Corporate Affairs (MCA) has exempted Government Companies from complying with the provisions of Section 178(2) & para VIII of Schedule IV of the Companies Act, 2013 with regard to performance evaluation of Board, its committees and individual directors. The performance evaluation of Functional Directors, Government Nominee Directors and Independent Directors of your Company is carried out by Ministry of Defence (Administrative Ministry), in accordance with the applicable rules and procedures laid by the Government of India.

Corporate Social Responsibility & Sustainability Committee

35. The Board of Directors of your Company has adopted a comprehensive Corporate Social Responsibility and Sustainability ("CSR & SD") Policy, formulated in accordance with the provisions of the Companies Act, 2013, the rules framed thereunder, and the Corporate Social Responsibility & Sustainability Guidelines issued by the Department of Public Enterprises (DPE). In alignment with this policy, a dedicated CSR & SD Committee has been constituted under the Chairmanship of an Independent Director. The Committee is responsible for the planning, implementation and monitoring of the CSR & Sustainability activities of your Company.

31. The terms of reference of HR, Nomination and Remuneration Committee are as follows: -

- To decide the annual bonus / variable pay pool Performance Related Pay (PRP) and policy for its distribution across the executives (including Board Level executives) and non-unionised supervisors within the prescribed limits for each financial year;
- To examine all the proposals related to HR issues and give its recommendations;
- The recommendations of the HR, Nomination and Remuneration Committee are placed before the Board of Directors for approval.

36. The terms of reference of the CSR & SD Committee are as follows: -










- Formulate and recommend to the Board, a Corporate Social Responsibility and Sustainability Policy which shall indicate the activities to be undertaken by your Company as specified in Schedule - VII of the Companies Act, 2013;
- Recommend amount of expenditure to be incurred on CSR activities;
- Monitor the Corporate Social Responsibility and Sustainability Policy of your Company and its effective implementation from time to time.

37. The composition of the CSR & SD Committee of the Board of Directors as on 31 Mar 2025 was as follows:

(a)	Shri Sanjeeb Mohanty <i>Independent Director</i>	Chairperson
(b)	Cdr Shantanu Bose, IN (Retd.) <i>Director (Shipbuilding)</i>	Member
(c)	DIG Subrato Ghosh, ICG (Retd.) <i>Director (Personnel)</i>	Member

38. The Company Secretary is Secretary to the Committee.

39. During the financial year 2024-25, Three (3) Meetings of the CSR & SD Committee were held. The details of member attendance at these meetings are provided below:

Name of the Director	Meeting held and attended during respective Tenure of Directors			% of attendance
	08-Jun-2024	12-Nov-2024	03-Feb-2024	
Shri Sanjeeb Mohanty <i>Independent Director</i>				100
Cdr Shantanu Bose, IN (Retd.) <i>Director (Shipbuilding)</i>				100
DIG Subrato Ghosh, ICG (Retd.) <i>Director (Personnel)</i>				100

 - Present  - Absent NA - Not Applicable

Stakeholders Relationship Committee

40. The Stakeholders Relationship Committee was constituted in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

41. In line with the SEBI Listing Regulations, the terms of reference of the Stakeholders Relationship Committee include the following:




- Resolving the grievances of the security holders 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 your Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by your Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the Shareholders.

42. The composition of the Stakeholders Relationship Committee of the Board of Directors as on 31 Mar 2025 was as follows:

(a)	Shri Sanjeeb Mohanty <i>Independent Director</i>	Chairperson
(b)	Shri Ramesh Kumar Dash <i>Director (Finance)</i>	Member
(c)	DIG Subrato Ghosh, ICG (Retd.) <i>Director (Personnel)</i>	Member

43. The Company Secretary serves as the Secretary of the Stakeholders Relationship Committee, and he is also the Compliance Officer.

44. During the year 2024-25, One (1) Meeting of the Stakeholders Relationship Committee of the Board of Directors was held. The details of member attendance at these meetings are provided below:

Name of the Director	Meeting held and attended during respective Tenure of Directors	% of attendance
	03-Feb-2025	
Shri Sanjeeb Mohanty <i>Independent Director</i>		100
Shri Ramesh Kumar Dash <i>Director (Finance)</i>		100
DIG Subrato Ghosh, ICG (Retd.) ⁽¹⁾ <i>Director (Personnel)</i>		100

 - Present  - Absent NA - Not Applicable

45. **Name and Designation of Compliance Officer** - In accordance with the SEBI Listing Regulations, the Board has appointed Shri Sandeep Mahapatra, Company Secretary, as the Compliance Officer.

46. The Status of Shareholders/ Investor Complaints as on 31 Mar 2025 and reported under Regulation 13(3) of the SEBI Listing Regulations is as under:

Complaints as on 01 Apr 2024	0
Received during the year	5
Resolved during the year	5
Not solved to the satisfaction of shareholders	0
Pending as on 31 Mar 2025	0

Risk Management Committee

47. The Risk Management Committee was constituted in line with the Regulation 21 of the SEBI Listing Regulations.

48. The roles and responsibilities of the Risk Management Committee include the following:

- (i) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber-security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks;
 - (c) Business continuity plan.
- (ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (iii) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems; ensure that the Company is taking appropriate measures to achieve prudent balance between risks and rewards in both ongoing and new business activities.
- (iv) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (v) To review and assess the nature role responsibility and authority of the risk management function within the Company and outline the scope of risk management work.
- (vi) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken; assist the Board in setting risk strategies, policies, framework, models and procedures.
- (vii) The appointment and removal of the Chief Risk Officer (if any) shall be recommended / reviewed by the Risk Management Committee.
- (viii) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

49. The composition of the Risk Management Committee of the Board of Directors as on 31 Mar 2025 was as follows:

(a)	Shri Ramesh Kumar Dash	Chairperson
(b)	Cdr Shantanu Bose, IN (Retd.)	Member
(c)	DIG Subrato Ghosh, ICG (Retd.)	Member
	Director (Finance)	
	Director (Shipbuilding)	
	Director (Personnel)	













(d)	Shri Sanjay Dattatraya Panse ^[1]	Member
(e)	Shri Sanjeeb Mohanty ^[2]	Member
(f)	Shri Sunil Kumar Panangadan	Member
(g)	Smt. Madhumita Khasnobis	Member Secretary
	Chief Risk Officer	Risk Coordinator

^[1] Ceased as a member of the Committee w.e.f. 27 Dec 2024

^[2] Admitted as a member of the Committee w.e.f. 27 Dec 2024

50. The Risk Coordinator is Member and also the Secretary of the Committee.

51. During the year 2024-25, Two (2) Meetings of the Risk Management Committee were held. The details of member attendance at these meetings are provided below:

Name of the Director	Meeting held and attended during respective Tenure of Directors		% of attendance
	07 Aug 24	16 Dec 24	
Shri Ramesh Kumar Dash Director (Finance)			100
Cdr Shantanu Bose, IN (Retd.) Director (Shipbuilding)			100
DIG Subrato Ghosh, ICG (Retd.) Director (Personnel)			100
Shri Sanjay Dattatraya Panse ^[1] Independent Director			100
Shri Sanjeeb Mohanty ^[2] Independent Director	NA	NA	NA
Capt. Sunil Kumar Panangadan Chief Risk Officer			100
Smt. Madhumita Khasnobis Risk Coordinator			100

 - Present × - Absent NA - Not Applicable

^[1] Ceased as a member of the Committee w.e.f. 27 Dec 2024

^[2] Admitted as a member of the Committee w.e.f. 27 Dec 2024

OTHER COMMITTEES OF THE BOARD

Procurement Committee

52. The Procurement Committee of the Board of Directors has been delegated full powers of the Board in respect of:

- Approval of proposals in excess of ₹30 crore and up to value ₹100 crore for placement of orders for procurement of materials, equipment, tools, stores and spares, imports including from Russian Sources, approval of works, sub-contracts and facility hire, etc. for sanctioned projects.
- Approval of proposals for capital expenditure in excess of ₹5 crore in respect of the items provided for in the Capital Budget approved by the Board / Government.
- The Procurement Committee examines all the procurement proposals in conformity with and compliance of the Purchase Manual of your Company, CVC Guidelines, Government Regulations etc. and give its approval for such proposals. In the event of any deviations from procedures, the proposal with the recommendations of the Committee is placed before the Board for approval. However, if the Committee feels that a particular proposal requires

consideration by the Board, same is submitted to the Board with recommendation(s) of the Committee.

- All the procurement proposals approved by Procurement Committee are placed before the Board for information.

53. The composition of the Procurement Committee of the Board of Directors as on 31 Mar 2025 was as follows:

(a)	Cmde P R Hari, IN (Retd.) <i>Chairman & Managing Director</i>	Chairperson
(b)	Shri Sanjay Dattatraya Panse ^[1] <i>Independent Director</i>	Member
(c)	Shri Sanjeeb Mohanty ^[2] <i>Independent Director</i>	Member
(d)	Shri Ramesh Kumar Dash, <i>Director (Finance)</i>	Member
(e)	Cdr Shantanu Bose, IN (Retd.) <i>Director (Shipbuilding)</i>	Member

^[1] Ceased as a member of the Committee w.e.f. 27 Dec 2024

^[2] Admitted as a member of the Committee w.e.f. 27 Dec 2024

54. The Company Secretary is the Secretary to the Committee.

55. The Chairman of the Procurement Committee apprises the Board about the observations of the Procurement Committee during the Board Meeting.

56. During the financial year 2024-25, Eleven (11) Meetings of the Procurement Committee were held. The details of member attendance at these meetings are provided below:

Name of the Director	Meeting held and attended during respective Tenure of Directors											% of attendance
	23 Apr 24	11 Jun 24	30 Jul 24	07 Aug 24	05 Sep 24	14 Oct 24	13 Nov 24	16 Dec 24	29 Jan 25	03 Feb 25	11 Mar 25	
Cmde P R Hari, IN (Retd.) <i>Chairman & Managing Director</i>												100
Shri Sanjay Dattatraya Panse ^[1] <i>Independent Director</i>									NA	NA	NA	100
Shri Sanjeeb Mohanty ^[2] <i>Independent Director</i>	NA	NA	NA	NA	NA	NA	NA	NA				100
Shri Ramesh Kumar Dash, <i>Director (Finance)</i>												100
Cdr Shantanu Bose, IN (Retd.) <i>Director (Shipbuilding)</i>												100

- Present x - Absent

NA - Not Applicable

^[1] Ceased as a member of the Committee w.e.f. 27 Dec 2024

^[2] Admitted as a member of the Committee w.e.f. 27 Dec 2024

Legal Committee

57. The Legal Committee of the Board of Directors was formed to review, monitor and suggest an appropriate course of action for the legal cases of the Company and other than taxation matters.

58. After cessation of Shri Sanjay Dattatraya Panse w.e.f. 27 Dec 2024, due to non-availability of required number of Independent Directors, the Company was unable to reconstitute Legal Committee of the Board of Directors from 27 Dec 2024 to 31 Mar 2025.

59. The composition of the Legal Committee of the Board of Directors up to 26 Dec 2024 was as follows:

(a) Shri Sanjeeb Mohanty <i>Independent Director</i>	Chairperson
(b) Shri Sanjay Dattatraya Panse ^[1] <i>Independent Director</i>	Member
(c) DIG Subrato Ghosh, ICG (Retd.) <i>Director (Personnel)</i>	Member

^[1] Ceased as a member of the Committee w.e.f. 27 Dec 2024

60. The Company Secretary is the Secretary to the Committee.

61. During the year 2024-25, Two (2) Meetings of the Legal Committee were held. The details of member attendance at these meetings are provided below:

Name of the Director	Meeting held and attended during respective Tenure of Directors		% of attendance
	08-Jun-2024	12-Nov-2024	
Shri Sanjeeb Mohanty <i>Independent Director</i>			— 100
Shri Sanjay Dattatraya Panse ^[1] <i>Independent Director</i>			— 100
DIG Subrato Ghosh, ICG (Retd.) <i>Director (Personnel)</i>			— 100

 - Present ✕ - Absent NA - Not Applicable

^[1] Ceased as a member of the Committee w.e.f. 27 Dec 2024

Senior management

62. In terms of Clause 5B of Schedule V of SEBI Listing Regulations, the particulars of Senior Management as on 31 Mar 2025 are provided below:

Sl. No.	Name	Designation	Changes during the year
CFO and CS			
1.	Shri Ramesh Kumar Dash	Director (Finance) and Chief Financial Officer	-
2.	Shri Sandeep Mahapatra	Company Secretary and Compliance Officer	-
Senior Management			
3.	Shri Venkatesh Murthy	Chief General Manager (CSB)	-
4.	Cmde. Rajat Manchanda, IN (Retd.)	Chief General Manager (PP & C)	-
5.	Cdr. Bhaskar Sengupta, IN (Retd.)	Chief General Manager (CP, CC & BDM)	-
6.	Capt. P Sunilkumar, IN (Retd.)	Chief General Manager (FOJ)	-
7.	Cdr. B Mishra, IN (Retd.)	Chief General Manager (Tech & Projects)	-
8.	Cmde. Jayanta Chowdhury, IN (Retd.)	Chief General Manager (Advisor to CMD)	-
9.	Cmde. Rajiv Sreedharan, IN (Retd.)	Chief General Manager (PS-NGOPV, I&NT)	-
10.	Cmde. Indrajit Dasgupta, IN (Retd.)	Chief General Manager (SR&TU)	-
11.	Cmde. Vikas Kaushal, IN (Retd.)	Chief General Manager (PS-P17A)	-
12.	Cmde. Nitin Nangia, IN (Retd.)	Chief General Manager (PS)	Appointed on 11 Feb 2025
13.	Cmde. Ramesh Menon, IN (Retd.)	Chief General Manager (BB & DEP)	Appointed on 12 Mar 2025
14.	Shri Gulshan Ratan	General Manager (QA, VD & Ind)	-
15.	Shri Sujoy Chakravorty	General Manager (Commercial)	-

Sl. No.	Name	Designation	Changes during the year
16.	Cmde. Vinith Aerat, IN (Retd.)	General Manager (Design)	-
17.	Smt. Lipi Das	General Manager (HR &A)	Superannuated on 01 Nov 2024
18.	Smt. Aparajita Ghosh	General Manager (Finance)	-
19.	Shri N Partheepan	General Manager (Bailey Bridge)	-
20.	Cdr. Gaurav Pande, IN (Retd.)	General Manager (FOJ)	Ceased on 01 Aug 2024
21.	Cdr. Manoj Kumar Gupta, IN (Retd.)	General Manager (MTL, SCC, HP & IP)	-
22.	Shri Rajeev Shrivastava	General Manager (HR)	-
23.	Shri Sanat Datta	General Manager (YM)	Promoted on 01 Aug 2024 Superannuated on 01 Nov 2024
24.	Shri Goutam Karmakar	General Manager (FOJ)	Promoted on 01 Nov 2024
25.	Shri Sanjay Kumar	General Manager (I/C) – (Finance - Banking)	Superannuated on 01 Oct 2024
26.	Cdr. Satish Chandra Jha, IN (Retd.)	General Manager (RBD Unit)	Promoted on 01 Nov 2024
27.	Shri Manas Kumar Pandey	General Manager (I/C) – (MW)	Designated as MW Unit In-charge on 23 Apr 2024 Promoted to GM (I/C) on 1 Oct 2024
28.	Shri D K J Singh	General Manager (I/C) – (DEP)	Promoted on 1 Oct 2024
29.	Col Sanjay Anand, (Retd.)	General Manager (I/C) – Security, Fire and OL	Promoted on 1 Oct 2024

Appointment and Remuneration of Whole-Time Directors

63. As a Central Public Sector Enterprise (CPSE), the appointment of Chairman & Managing Director and other Whole-Time Directors of the Company is made by the Government of India, which also indicates the tenure, remuneration package and other terms and conditions of their appointment. The Functional Directors are generally appointed for a period of five (5) years from the date of assumption of charge, or until the date of superannuation, or until further orders, whichever is earlier. In the event of resignation before the completion of the contractual term, a notice period of three (3) months is required, and in case of such notice, an amount equivalent to three (3) months' pay must be remitted in lieu thereof.
64. The remuneration of Whole-time Directors of your Company is determined by the President of India from time to time. The pay allowances of Board level executives are governed by the terms of appointment issued in line with the Department of Public Enterprises (DPE) Guidelines, and other benefits and perquisites are in accordance with the rules of GRSE. The remuneration of below Board level executives and non-unionized supervisors is as per DPE guidelines and as approved by the administrative ministry i.e. Ministry of Defence. In addition, Performance Linked Incentives i.e. Performance Related Pay (PRP), are payable to the Whole-time Functional Directors as employees of the Company as per the policy applicable to all employees of the Company.
65. The details of remuneration of Whole-Time Directors during the FY 2024-25 are given below:

(₹ in lakh)

Name of Director	Salary*	Perquisites	Company's Contribution to PF / Gratuity / Pension	Performance Related Pay	Total
Cmde P R Hari, IN (Retd.) <i>Chairman & Managing Director</i>	52.58	0.80	8.06	16.29	77.73
Cdr. Shantanu Bose, IN (Retd.) <i>Director (Shipbuilding)</i>	57.70	0.66	7.47	12.01	77.84
Shri Ramesh Kumar Dash <i>Director (Finance) and CFO</i>	44.18	2.64	6.07	10.23	63.12
DIG Subrato Ghosh, ICG (Retd.) <i>Director (Personnel)</i>	61.98	0.66	7.33	11.27	81.24

*Salary includes arrears

66. During the year, no Stock Options were issued by the Company to Whole-time Directors.

Appointment and Remuneration of Part-Time Directors

67. The Government Nominee Director is appointed by the President of India and holds the office until further orders from the Government. They are not entitled to any remuneration or sitting fees for attending meetings of the Board or its Committees.
68. The Independent Directors are appointed by the President of India, generally for a period of three (3) years. They are not paid any remuneration, but are eligible for sitting fees for attending meetings of the Board or its Committees. The Company pays sitting fees of ₹25,000/- for attending each meeting of the Board of Directors and ₹20,000/- for attending each meeting of the Sub-Committees of the Board of Directors. In addition to sitting fees, the Company also reimburses travel and accommodation expenses incurred by the Part-Time Directors in connection with their participation in the Board and other Committee Meetings.
69. The criteria for making payments to Non-Executive Directors of the Company are disclosed on the Company's website at <https://grse.in/wp-content/uploads/2022/04/Terms-and-Conditions-of-Appt-of-Non-Executive-Directors.pdf>.
70. The sitting fees paid to the Independent Directors during the FY 2024-25 is as follows:

(₹ in lakh)

Name of Independent Director	Board Meetings	Committee Meetings	Total Remuneration
Shri Sanjay Dattatraya Panse ^[1]	1.75	3.80	5.55
Shri Sanjeeb Mohanty	2.25	3.60	5.85

^[1] Completed his tenure as Independent Director of the Company w.e.f. 27 Dec 2024

71. Further, there has been no other pecuniary relationship or transactions of the Part-time Directors vis-à-vis the Company during the year under review.
72. Non-Executive Directors do not hold any Shares in the Company during the Financial Year 2024-25.

Evaluation Criteria

73. Since the Board level appointments are made by the President of India, evaluation of performance of such appointees is also done by the Government of India.

Independent Directors' Meeting

74. During the year 2024-25, one Meeting of Independent Directors was held on 27 Oct 2024.

Confirmation of Independence of the Independent Directors

75. The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6) of the Companies Act, 2013.
76. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Companies Act, 2013 and SEBI Listing Regulations and are independent of the management.

ANNUAL GENERAL MEETINGS

77. The details of the last Three (3) Annual General Meetings of your Company are given below:

Financial Year	Date and Time	Venue	Special Resolution Passed
2021-22	26 Sep 22 10.30 Hrs	Registered Office at GRSE Bhavan, 61, Garden Reach Road, Kolkata - 700 024 (Through Video Conferencing/ Audio visual mode)	No special resolution passed in the meeting
2022-23	22 Sep 23 10.30 Hrs	Registered Office at GRSE Bhavan, 61, Garden Reach Road, Kolkata - 700 024 (Through Video Conferencing/ Audio visual mode)	No special resolution passed in the meeting
2023-24	20 Sep 24 10.30 Hrs	Registered Office at GRSE Bhavan, 61, Garden Reach Road, Kolkata - 700 024 (Through Video Conferencing/ Audio visual mode)	No special resolution passed in the meeting

POSTAL BALLOT

78. No postal ballot was conducted during FY 2024-25.
79. None of the business proposed to be transacted at the ensuing AGM requires the passing of a Special Resolution through Postal Ballot.

Procedure for Postal Ballot

80. The Company conducts postal ballot processes in accordance with the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, along with the relevant rules framed thereunder and circulars issued by the Ministry of Corporate Affairs (MCA). The shareholders are provided with the facility to cast their votes either through physical ballot or via electronic voting (e-voting). The postal ballot notices are sent to shareholders electronically at their registered email addresses, wherever available. In cases where email addresses are not registered, the notices are being sent in physical form through permitted modes. Additionally, the Company publishes a public notice in newspapers in compliance with the requirements of the Companies Act, 2013 and the SEBI Listing Regulations.
81. Shareholders holding equity shares as on the cut-off date are eligible to vote either electronically or by submitting duly completed postal ballot forms within the designated voting period. Upon conclusion of the voting period, the Scrutinizer examines and verifies the votes and submits a report to the Chairman. The results of the postal ballot are announced within 48 hours from the close of voting.
82. The results are displayed on the website of the Company (www.grse.in), and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolutions, if passed by the requisite majority, are deemed to have been passed on the last date specified for receipt of duly completed postal ballot forms or e-voting.

FAMILIARISATION PROGRAMME AND TRAINING FOR DIRECTORS

83. The familiarization programme for Directors generally form part of the Board process. All new Directors are provided with an overview of the operations of the Company at the time of their induction to the Board. They are familiarized to your Company's culture, values, commitments, and operations through orientation sessions. They are also regularly encouraged and assisted for attending training programmes on various aspects of Corporate Governance.
84. Additionally, the Independent Directors are updated on an ongoing basis at the Board / Committee meetings, inter-alia, on the following:
 - Nature of industry in which the Company operates;
 - Business environment and operational model of various business divisions of the Company including important developments thereon;
 - Important changes in regulatory framework having impact on the Company.
85. The details of the familiarization programme for Independent Directors can be accessed at https://grse.in/board-of-directors-and-committees/Familiarisation_Programme_2023-24.pdf

CODE OF BUSINESS CONDUCT AND ETHICS FOR BOARD MEMBERS AND SENIOR MANAGEMENT

86. The Board of Directors of your Company has adopted a "Code of Business Conduct and Ethics for Board Members and Senior Management", in line with the Guidelines issued by the Department of Public Enterprises and SEBI (LODR). This Code is

designed to promote fair, transparent, and ethical practices and to strengthen the Company's Corporate Governance framework.

87. A copy of the Code has been circulated to all concerned and is also available on your Company's website. All the Board Members and Senior Management Personnel, to whom the said Code applies, have affirmed compliance with its provisions for financial year ended 31 Mar 2025. Further, a declaration to this effect, duly signed by the Chairman & Managing Director of your Company, is appended at the end of this Report.

INSIDER TRADING CODE

88. In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company has adopted a 'Code of Conduct for Prevention of Insider Trading and Fair disclosure of Unpublished Price Sensitive Information'. This code establishes a robust framework to regulate, monitor, report and prohibits trading in securities of the Company by Designated Persons while in possession of Unpublished Price Sensitive Information in relation to the Company. The Code lays down guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company, and cautioning them of the consequences of violations. The Code is designed to ensure transparency, accountability, and adhere to ethical standards in dealings with the securities of the Company. The Code of Conduct for Prevention of Insider Trading and Fair disclosure of Unpublished Price Sensitive Information is available on the website of the Company and can be accessed at <https://grse.in/wp-content/uploads/2022/08/Insider-Trading-Code-GRSE.pdf>.

SHAREHOLDER INFORMATION

89. Various shareholder information required to be disclosed pursuant to Schedule V of the SEBI Listing Regulations is provided in **Annexure I** to this Report titled 'Shareholder Information'.

DISCLOSURES

90. (a) **Conflict of Interest:** During the year 2024-25, your Company has not entered into any transaction with the Directors that may have potential conflict with the interests of your Company at large. The members of the Board, apart from receiving Directors' remuneration (wherever applicable), do not have any material pecuniary relationship or transaction with your Company which, in the judgment of the Board, may affect independence of judgment of the Directors.
- (b) **Related Party Transactions:** During the year 2024-25, your Company does not have any materially significant related party transactions, which may have potential conflict with its interest at large. Further, as required under the SEBI Listing Regulations, the disclosure of Related Party Transactions on a consolidated basis in the prescribed format was filed with the Stock Exchanges and has also been uploaded on the website of the Company. The Policy on Related Party Transactions of the Company may be accessed at https://grse.in/policies/GRSE_Policy_for_Related_Party_Transactions.pdf
- (c) **Material Subsidiaries:** Your Company does not have any subsidiary or associate company. However, the Company's Policy on Determining Material Subsidiaries framed as per Regulation 16 of the SEBI Listing Regulations which

is available on the Company's website at <https://grse.in/wp-content/uploads/2022/04/Policy-for-Determining-Material-Subsidiaries-GRSE.pdf>.

- (d) **Inter-se relationships between Directors and Key Managerial Personnel of the Company:** None
- (e) **Number of Equity Shares held by Directors in the Company:** 200 Equity Shares of the Company were held by DIG Subrato Ghosh, ICG (Retd.), Director (Personnel) and 15 Equity Shares of the Company were held by Cdr. Shantanu Bose, IN (Retd.), Director (Shipbuilding). Further, Non-Executive Directors did not hold any shares in the Company.

(f) **Vigil Mechanism/ Whistle Blower Policy**

The Company has formulated Whistle Blower Policy in line with Section 177 of the Companies Act, 2013, Regulation 22 of SEBI Listing Regulations and the DPE Guidelines on Corporate Governance for CPSEs, 2010. The Policy has been formulated with a view to provide a mechanism for employees and other stakeholders to raise concerns on any violations of legal or regulatory requirements, suspected misconduct of anyone concerned with the Company to come forward and express their concerns without fear of punishment/victimization or unfair treatment.

During the year, no personnel has been denied access to the Members of the Audit Committee or its Chairperson.

Synopsis of the Whistleblower Policy of the Company is also provided in the 'Directors' Report', forming part of this Annual Report.

- (g) **Items of expenditure debited in books of accounts, which are not for the purposes of the business:** Nil
- (h) **Expenses incurred, which are personal in nature and incurred for the Board of Directors and top Management:** Nil
- (i) **Details of Administrative and Office expenses as a percentage of total expenses vis-à-vis financial expenses:** (₹ in crore)

Sl. No.	Particulars	2024-25	2023-24
(a)	Total Expenditure (Other than materials)	571.95	562.71
(b)	Administrative & Office Expenses	12.26	12.79
(c)	Percentage of (b) on (a)	2.14	2.27
(d)	Finance expenditure as a % of total expenditure	0.22	0.34

- (j) **Quarterly Compliance Report on Corporate Governance:** The Company has submitted the quarterly compliance report on corporate governance in the prescribed format to the stock exchange(s) within the prescribed time period. The same is also uploaded on the website of the Company at <https://grse.in/corporate-governance-report/>.
- (k) **Prevention of Sexual Harassment of Women at Workplace:** The Company is committed to provide a work environment that ensures every employee is treated with dignity, respect and afforded equal treatment. Please refer 'Disclosure under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013' Section of Directors' Report for more details.
- (l) **Loans and advances to firms/companies in which directors are interested:** Nil
- (m) **Recommendation of Committees of the Board of Directors:** During the Financial Year 2024-25, there was no instance, where the Board had not accepted the recommendation(s) of any committee of the Board which is mandatorily required.
- (n) **Fees to Statutory Auditors:** The total fees paid for all services by the Company to M/s. Guha Nandi & Co., Statutory Auditors of the Company during FY 2024-25 aggregate to ₹22,08,000/-. The details are available under Note 27 of the 'Financial Statements'.
- (o) **Details of Non-Compliance:** There has been no instance or cases of non-compliance by your Company on any matter related to capital markets and no penalties / strictures were enforced on the Company by Stock Exchanges / SEBI or any other statutory authority on any matter related to capital market except the following:

Fine Imposed by NSE:

Financial year	Notice Date	Period of Non-Compliance	Nature of Non-Compliance of SEBI (LODR)	Amount (₹) of Penalty Imposed (includes GST)
2020-21	15 Feb 21	Quarter Ended 31 Dec 2020	Reg 17(1)	4,30,700
	17 May 21	Quarter Ended 31 Mar 2021	Reg 17(1)	5,31,000
2021-22	20 Aug 21	Quarter Ended 30 Jun 2021	Reg 17(1), 18(1), 9(1)/ 19(2)	6,40,740
	22 Nov 21	Quarter Ended 30 Sep 2021	Reg 17(1), 18(1), 9(1)/ 19(2)	9,77,040
	21 Feb 22	Quarter Ended 31 Dec 2021	Reg 17 (1), 17 (2A), 18(1), 19(1)/ 19(2), 20 and 21	12,34,280
	20 May 22	Quarter Ended 31 Mar 2022	Reg 17(1), 18(1), 19(1)/ 19(2), 20 & 21	11,49,320

Financial year	Notice Date	Period of Non-Compliance	Nature of Non-Compliance of SEBI (LODR)	Amount (₹) of Penalty Imposed (includes GST)
2022-23	22 Aug 22	Quarter Ended 30 Jun 2022	Reg 17(1), 18(1) & 19(1)/ 19(2)	6,50,180
	21 Nov 22	Quarter Ended 30 Sep 2022	Reg 17(1)	5,42,800
	21 Feb 23	Quarter ended 31 Dec 2022	Reg 17(1)	5,42,800
	22 May 23	Quarter Ended 31 Mar 2023	Reg 17(1)	5,31,000
2023-24	21 Aug 23	Quarter Ended 30 Jun 2023	Reg 17(1)	5,36,900
	21 Nov 23	Quarter Ended 30 Sep 2023	Reg 17(1)	5,42,800
	22 Feb 24	Quarter ended 31 Dec 2023	Reg 17(1)	5,42,800
	22 May 24	Quarter Ended 31 Mar 2024	Reg 17(1)	5,36,900
2024-25	21 Aug 24	Quarter Ended 30 Jun 2024	Reg 17(1)	5,36,900
	21 Nov 24	Quarter Ended 30 Sep 2024	Reg 17(1)	5,42,800
	17 Mar 25	Quarter ended 31 Dec 2024	Reg 17(1) and 18 (1)	5,52,240
	29 May 25	Quarter ended 31 Mar 2025	Reg 17(1), 18 (1) and 19(1)/19(2)	9,55,800
Total				1,19,77,000

Fine Imposed by BSE:

Financial year	Notice Date	Period of Non-Compliance	Nature of Non-Compliance of SEBI (LODR)	Amount (₹) of Penalty Imposed (includes GST)
2021-22	20 Aug 21	Quarter Ended 30 Jun 2021	Reg 17(1), 18(1), 19(1)/ 19(2)	6,40,740
	22 Nov 21	Quarter Ended 30 Sep 2021	Reg 17(1), 18(1), 19(1)/ 19(2)	9,77,040
	21 Feb 22	Quarter Ended 31 Dec 2021	Reg 17 (1), 17 (2A), 18(1), 19(1)/ 19(2), 20 (2)/ (2A) and 21(2)	12,34,280
	20 May 22	Quarter Ended 31 Mar 2022	Reg 17(1), 18(1), 19(1)/ 19(2), 20(2)/ (2A) & 21(2)	11,49,320
2022-23	22 Aug 22	Quarter Ended 30 Jun 2022	Reg 17(1), 18(1) & 19(1)/ 19(2)	6,50,180
	21 Nov 22	Quarter Ended 30 Sep 2022	Reg 17(1)	5,42,800
	21 Feb 23	Quarter ended 31 Dec 2022	Reg 17(1)	5,42,800
	22 May 23	Quarter Ended 31 Mar 2023	Reg 17(1)	5,31,000
2023-24	21 Aug 23	Quarter Ended 30 Jun 2023	Reg 17(1)	5,36,900
	21 Nov 23	Quarter Ended 30 Sep 2023	Reg 17(1)	5,42,800
	22 Feb 24	Quarter ended 31 Dec 2023	Reg 17(1)	5,42,800
	22 May 24	Quarter Ended 31 Mar 2024	Reg 17(1)	5,36,900
2024-25	21 Aug 24	Quarter Ended 30 Jun 2024	Reg 17(1)	5,36,900
	21 Nov 24	Quarter Ended 30 Sep 2024	Reg 17(1)	5,42,800
	17 Mar 25	Quarter ended 31 Dec 2024	Reg 17(1) and 18 (1)	5,52,240
	29 May 25	Quarter ended 31 Mar 2025	Reg 17(1), 18 (1) and 19(1)/19(2)	9,55,800
Total				1,10,15,300

These fines were levied by the Stock Exchanges due to the non-availability of requisite number of Directors including Independent Directors and a Woman Independent Director, on the Board of Directors of the Company for the different period.

In response to the aforesaid notices, the Company has communicated to the Stock Exchanges clarifying that the shortfall in Independent Directors was not due to any negligence or default on the part of the Company. The appointment of Directors to the Board of a Company being a CPSE is carried out by the Government of India through Presidential Orders, and hence, the matter lies beyond the control of the Company. Accordingly, the Company has submitted requests to both Stock Exchanges to waive-off the fines which remains unpaid and exemptions have been sought in accordance with the provisions of Stock Exchange's Policy for Exemption of Fines Levied. As per

the said policy, the waiver request may be considered only after the Company achieves compliance with the relevant non-compliances. The matter for appointment of requisite number of Independent Directors and a Woman Independent Director, is being actively pursued with the Administrative Ministry i.e. Ministry of Defence.

(p) **Mandatory Compliances:** All mandatory requirements of the SEBI Listing Regulations and DPE Guidelines on Corporate Governance for CPSEs have been duly complied with by the Company as on 31 Mar 2025 except disclosed hereunder.

(q) **Non-Mandatory Compliances under SEBI Listing Regulations:** The status of compliance with the discretionary requirements under the SEBI Listing Regulations is provided below:

(i) **The Board:** As per para A of Part E of Schedule II of the SEBI Listing Regulations, a non-executive Chairman of the Board may be entitled to maintain a Chairman's Office at the company's expense and also allowed reimbursement of expenses incurred in performance of his duties. The Chairman of the Company is an Executive Director and hence this provision is not applicable to us.

(ii) **Shareholder Rights:** Your Company displays the quarterly and half yearly financial results on the Company's website at <https://grse.in/financial-results/> and also publishes the financial results in widely circulated newspapers. We have communicated the payment of dividend by e-mail to shareholders in addition to dispatch of letters to all shareholders, wherever required.

(iii) **Modified Opinion in Audit Report:** Your Company continuously strives to maintain accounts in a transparent, true and fair manner in conformity with the accounting principles generally accepted in India. During the last twenty years (2005-2006 to 2024-25) there have been no audit qualifications. Your Company has also received "Nil" comments from the CAG during this year. Further, for the FY 2024-25, the Statutory Auditors have issued an unmodified opinion on the financial statements of the Company.

(iv) **Reporting of Internal Auditor:** The Head of Internal Audit Department of the Company administratively reports to the Chairman & Managing Director. He is regularly invited to attend the Audit Committee meetings. Further, the Internal Auditors of the Company are also invited to the Audit Committee meetings to discuss their Internal Audit Report on a quarterly basis.

(v) **Independent Directors:** During the year 2024-25, one separate meeting of all Independent Directors of the Company was held on 27 Oct 2024 without the presence of non-independent directors and members of the management. However, due to the non-availability of requisite number of Independent Directors during the year, the Company was unable to convene more than one such meeting. The Company remains committed in good governance practices and will endeavor to convene at least two such meetings

in every financial year going forward.

(r) **Certificate from Practicing Company Secretary on qualification of the Board:** M/s. Maheshwari R & Associates, Company Secretaries has certified 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 SEBI/ Ministry of Corporate Affairs or any such statutory authority. The aforesaid certificate is provided at **Annexure II** to this Report.

(s) **Other Regulatory Compliance:** During the year, the Company has complied with the requirements of Corporate Governance Report of Paras (2) to (10) mentioned in Part 'C' of Schedule V of the SEBI Listing Regulations. Further, your Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of Regulation 46 (2) of the SEBI Listing Regulations except with regard to the composition of Board of Directors and non-availability of requisite number of Independent Directors including Woman Independent Director on the Board of Directors of the Company as explained above and consequent non reconstitution of Audit Committee and HR, Nomination and Remuneration Committee, and disclosed necessary information in the respective places in this Report.

(t) **Corporate Governance Certification:** A Compliance Certificate from M/s. Maheshwari R & Associates, Company Secretaries, confirming compliance with the conditions of Corporate Governance, as required under both, the SEBI Listing Regulations and the DPE Guidelines on Corporate Governance for CPSEs is provided as **Annexure III** to this Report.

(u) **CEO and CFO Certification:** The Chairman and Managing Director (CMD) and the Chief Financial Officer (CFO) of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI Listing Regulations, copy of which is attached to this Report as **Annexure-IV**. The CMD and the CFO also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the SEBI Listing Regulations.

DECLARATION

Pursuant to the Department of Public Enterprises Guidelines on Corporate Governance for Central Public Sector Enterprises dated 14th May, 2010 and Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby declared that all Board Members and Senior Management Personnel of your Company have affirmed compliance with the Code of Conduct & Ethics for Board Members and Senior Management Personnel of Garden Reach Shipbuilders & Engineers Limited for the year ended 31st March, 2025.

For and on behalf of the Board of Directors

Place: Kolkata
Dated: 22 July, 2025

Sd/-
Cmde P R Hari, IN (Retd.)
Chairman & Managing Director
DIN: 08591411

ANNEXURE - I

SHAREHOLDER INFORMATION

ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2024-25

Date	Friday, 19th September, 2025
Venue	AGM through Video Conferencing/Other Audio-Visual Means. [Deemed Venue for Meeting: Registered and Corporate Office: GRSE Bhavan, 61, Garden Reach Road, Kolkata - 700024]
Time	10:30 A.M.

DIVIDEND PAYMENT

- The final dividend for the year ended 31st March 2025, if approved at the AGM, will be paid on or after 19th September, 2025. Your Company has been consistently paying dividend to its shareholders. The dividend declared in the last five (5) financial years are provided below:

Financial Year	Dividend per share (in ₹)	Total Dividend paid (in ₹ crore)
2024-25*	13.85	158.65
2023-24	9.36	107.22
2022-23	6.20	71.02
2021-22	5.80	66.44
2020-21	5.00	57.28

* Includes interim dividend of ₹8.95 per equity share of ₹10/- each.

LISTING OF SHARES ON STOCK EXCHANGES

- The equity shares of your Company were listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") w.e.f. 10 Oct 2018. Your Company has paid the annual listing fees to both NSE and BSE on time. Details of NSE and BSE alongwith stock codes are provided below:

Stock Exchanges	Stock Code
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (E) Mumbai 400 051 Website: www.nseindia.com	GRSE
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 Website: www.bseindia.com	542011

MEANS OF COMMUNICATION

- The timely disclosure of consistent, comparable, relevant and reliable information on Company's financial and operational performance is a cornerstone of the good corporate governance. Your Company has a website (www.grse.in) which provides information on GRSE's leadership, management team, product spectrum, CSR initiatives, policies, annual reports, financial information etc.
- All price-sensitive information, statutory notices and information/data that are material to the shareholders are disclosed to the Stock Exchanges viz. NSE and BSE in compliance with the regulatory requirements. Your Company publishes its quarterly, half yearly and annual financial results, etc. in leading newspapers such as Financial Express (in English), Prabhat Khabar (in Hindi), Business Standard (Hindi), Ei Samay (in Bengali) and Bartaman (in Bengali). The quarter and year ending 31 Mar 2025 results were published in Financial Express, Business Standard (Hindi) and Ei Samay (in Bengali). The financial results were published as under:

Quarter ending 30 Jun 2024	In the month of Aug 2024
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Quarter ending 30 Sept 2024	In the month of Nov 2024
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Quarter ending 31 Dec 2024	In the month of Feb 2025
----------------------------	--------------------------

Quarter and Year ending 31 Mar 2025	In the month of May 2025
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- The 'Investors Corner' section on your Company's website contains the annual reports, financial results, presentations made to the analysts, transcription and other information submitted to the Stock Exchanges such as notices and corporate announcements, shareholding pattern, corporate governance reports, dividend, etc. In addition, the 'News Room' section on the website includes all major press releases from the Company and relevant media reports.

FINANCIAL CALENDAR

- The financial year of the Company starts from the 1st day of April and ends on 31st day of March of next year. Our tentative calendar for declaration of results for the financial year 2025-26 are as given below:

Quarter Ending	Release of Results
For the Quarter ending 30 Jun 2025	Second week of Aug 2025
For the Quarter and half year ending 30 Sep 2025	Second week of Nov 2025
For the Quarter and nine months ending 31 Dec 2025	Second week of Feb 2026
For the year ending 31 Mar 2026	Second/ Third week of May 2026

DEMATERIALISATION OF SHARES AND LIQUIDITY

7. The equity shares of the Company are available for trading in the dematerialised form under both the Depository Systems in India viz. NSDL and CDSL. The International Securities Identification Number (ISIN) allotted to the Company's shares under the Depository System is INE382Z01011.

8. As on 31 Mar 2025, 11,45,52,000 equity shares of the Company, representing 100% (approx.) of the issued, subscribed and paid-up equity share capital of the Company are held in dematerialized form. The details of shares in physical and demat form is given below:

Form	No. of Equity Shares	% of Shareholding
Demat Form with NSDL	10,03,13,178	87.57
Demat Form with CDSL	1,42,38,817	12.43
Physical Form	5	0.00

9. The holding by the President of India in the equity share capital of the Company is 74.50%, which are not actively traded. The remaining 25.50% of the Company's shares are liquid and actively traded shares on the Stock Exchanges. The Company's market capitalization as on 31 Mar 2025 stood at ₹19,295.71 crore as against ₹8,764.37 crore on 31 Mar 2024.

DISTRIBUTION OF SHAREHOLDING BY SIZE AS ON 31 MAR 2025

10. The details of the distribution of shareholding by size is provided below:

No. of Equity Shares	Shareholders		Shareholding	
	No.	%	No.	%
1-500	409420	98.90	14304589	12.49
501-1000	2731	0.66	2014771	1.76
1001-2000	1079	0.26	1566857	1.37
2001-3000	296	0.07	735214	0.64
3001-4000	102	0.02	366003	0.32
4001-5000	91	0.02	417263	0.36
5001-10000	136	0.03	994442	0.87
>10000	131	0.03	94152861	82.19
Total	413986	100.00	11,45,52,000	100.00

SHAREHOLDING PATTERN AS ON 31 MAR 2025

11. The shareholding pattern of the Company is detailed below:

Sl. No.	Category & name of the Shareholder	Number of Shareholders	Total No. of Shares held	Shareholding % calculated as per SCRR 1957
Promoter Shareholding				
	Central Government	1	8,53,41,240	74.50
(1)	Total Promoter Shareholding	1	8,53,41,240	74.50

Sl. No.	Category & name of the Shareholder	Number of Shareholders	Total No. of Shares held	Shareholding % calculated as per SCRR 1957
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Public Shareholding

Institutional				
a	Mutual Funds	16	18,73,553	1.64
b	Alternate Investment Funds	3	2,48,752	0.22
c	Financial Institutions / Banks	-	-	-
d	NBFCs registered with RBI	2	2,191	0.00
e	Foreign Portfolio Investors	78	44,00,637	3.84
f	Insurance Companies	9	49,185	0.04
(A)	Total Institutional Shareholding	108	65,74,318	5.74
Non-Institutional				
a	Bodies Corporate	701	7,33,293	0.64
b	Public and Others	4,13,176	2,19,03,149	19.12
(B)	Total Non- Institutional Shareholding	4,13,877	2,26,36,442	19.76
(2)	Total Public Shareholding (A)+(B)	4,13,985	2,92,10,760	25.5
Total Shareholding (1) +(2)		4,13,986	11,45,52,000	100.00

12. The Company has no outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments.

RECONCILIATION OF SHARE CAPITAL AUDIT

13. A reconciliation of Share Capital audit was conducted on a quarterly basis by a Practicing Company Secretary to verify and reconcile the total issued / paid-up share capital with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL), and shares held in physical mode. The audit report confirmed that the total issued / paid up capital is in agreement with the total number of shares held in dematerialized with NSDL & CDSL, as well as those in physical mode. Further, in compliance with the provisions of the SEBI (Depositories and Participants) Regulations, 2018, the Reconciliation of Share Capital Audit Report duly audited and certified by a Practicing Company Secretary, was submitted to the Stock Exchanges (NSE and BSE) on quarterly basis.

COMMODITY PRICE RISK, FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

14. Your Company had no exposure to commodity and commodity risks for the financial year 2024-25. Further, your Company does not involve in hedging activities.

15. The Company is exposed to foreign exchange exposures related to procurement of materials and services. These procurements are mostly covered under exchange rate variation clause for reimbursement of exchange rate variations arising out of foreign currency fluctuations. Hence, your Company has no direct exposure on this account.

CREDIT RATING

16. During the year, M/s CARE Ratings Limited has granted your Company a credit rating of CARE AAA/Stable for Long Term facilities and CARE A1+ for Short Term Bank facilities.

SHARE TRANSFER SYSTEM

17. The shares of the Company are traded in dematerialised form. The transfer of shares of the Company would be carried out in dematerialized form in accordance with Regulation 40 of the SEBI Listing Regulations.
18. The Board of the Company has delegated the authority for Transfer, Transmission and Transposition of the securities of the Company to the Company Secretary and Compliance Officer of the Company. During the financial year 2024-25, no such request for Transfer, Transmission and Transposition of the securities were received from the shareholders of the Company. Further, upto 01 Dec 2024, the Company Secretary and Compliance Officer submitted periodic reports on Transfer, Transmission and Transposition of the Securities of the Company, to the Board of Directors of the Company for its information. However, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024, SEBI has dispensed with this reporting requirement w.e.f. 13 Dec 2024.

UNCLAIMED DIVIDEND

19. Pursuant to the applicable provisions of the Companies Act, 2013, read with the Investor Education and Protection Fund ('IEPF') Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of seven years. Further, according to the said rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. No unclaimed dividend from previous years is due to be transferred to the IEPF as on 31 Mar 2025.
20. The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company at <https://grse.in/iepf/>. The Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 31 Mar 2025 on the website of the Company at <https://grse.in/iepf/> and on the website of the Ministry of Corporate Affairs at www.iepf.gov.in.

DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

21. The Company does not have any shares in the Demat Suspense Account or Unclaimed Suspense Account.

INVESTOR SERVICES

22. M/s. Alankit Assignments Limited is the Registrar & Transfer Agent of the Company in respect of the equity shares.

Address for correspondence:

205-208 Anarkali Complex,
Jhandewalan Extension, New Delhi – 110 055
Email: info@alankit.com

23. During the financial year 2024-25, the Company received five (05) complaints from the Investors which were disposed off in timely manner.

24. The e-mail ID earmarked by the Company for receiving investor complaints is investor.grievance@grse.co.in.

DETAILS OF COMPLIANCE OFFICER / ADDRESS FOR INVESTOR CORRESPONDENCE

Name : Shri Sandeep Mahapatra
Designation : Company Secretary and Compliance Officer
Address : Garden Reach Shipbuilders & Engineers Limited
 GRSE Bhavan, 61, Garden Reach Road
 Kolkata – 700 024
 Tel: +91 (033) 2469 8101
 Fax: +91 (033) 2469 8150
 Email: co.sec@grse.co.in
 Website: www.grse.in

PLANT LOCATIONS

Shipbuilding Activities	Engineering Activities	Engine Activities
Main Works Unit 43/46, Garden Reach Road, Kolkata – 700 024	61 Park Unit 61, Garden Reach Road, Kolkata – 700 024	DEP Ranchi Unit Plant Plaza Road, Dhurwa, Ranchi – 834 004
Rajabagan Dockyard Unit 44, Garden Reach Road, Kolkata – 700 044	Taratola Unit P-2/2, Taratola Road, Kolkata – 700 088	
Fitting Out Jetty Unit P-70, Karl Marx Sarani, Kolkata – 700 043		

UPDATION OF DETAILS

For Shares Held in Demat Form

25. The Company sends Notices, Annual Reports, and other communications in electronic mode to Shareholders who have registered their e-mail addresses with the Company or with the Depositories. Shareholders who have not yet registered or wish to update their e-mail addresses are requested to do so by submitting a request to their respective Depository Participant (DPs).
26. Shareholders who wish to receive dividends through electronic mode are advised to provide or update their Bank Account details, including IFSC (Indian Financial System Code) and MICR (Magnetic Ink Character Recognition), with their respective DPs to ensure timely and accurate credit of dividend amounts.

For Shares held in Physical Form

27. Shareholders holding shares in the physical form are requested to promptly advise the Company's RTA or the Company of any change in their address, mandate, bank details or other relevant information to ensure continued and better service.

ANNEXURE - II

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,
Garden Reach Shipbuilders & Engineers Limited
GRSE Bhavan, 61, Garden Reach Road,
Kolkata - 700024

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Garden Reach Shipbuilders & Engineers Limited having CIN : L35111WB1934GOI007891 and having registered and corporate office at GRSE Bhavan, 61, Garden Reach Road, Kolkata-700024 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) 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, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have 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 Director	DIN	Date of appointment in Company
1.	Cmde P R Hari, IN (Retd.)	08591411	10 th June, 2022
2.	Shri Ramesh Kumar Dash	08511344	01 st July, 2020
3.	Cdr. Shantanu Bose, IN (Retd.)	09631817	08 th June, 2022
4.	DIG Subrato Ghosh, ICG (Retd.)	10205285	20 th June, 2023
5.	Dr. Garima Bhagat	10881164	23 rd December, 2024
6.	Shri Sanjeeb Mohanty	09559883	06 th April, 2022

The Company being a Government Company, all the Directors on its Board such as Functional Directors, Government Nominee Directors and Independent Directors are selected and appointed by the Government as per a well laid down process for each category of Directors. My 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 **Maheshwari R & Associates**
Company Secretaries

Sd/-
Rashmi Maheshwari
C.P.No.: 3309 of ICSI
FCS : 5126
UDIN: F005126G000909227

Date: 01 August, 2025
Place: Kolkata

ANNEXURE - III

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Garden Reach Shipbuilders & Engineers Limited,
GRSE Bhavan, 61, Garden Reach Road,
Kolkata - 700024

I have examined the compliance of conditions of Corporate Governance by Garden Reach Shipbuilders & Engineers Limited ("the Company"), as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 ("SEBI Listing Regulations") and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises ("DPE Guidelines"), for the financial year ended 31st March, 2025.

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

On the basis of my findings from the examination of the records produced and explanations and information furnished to me, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, in my opinion, the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations and DPE Guidelines, except:

- (a) The Company does not have the requisite numbers of Independent Directors on its Board as required under Regulation 17(1) of the SEBI Listing Regulations and Para 3.1.4 of DPE Guidelines regarding Board Composition.
- (b) The Company did not have an Independent Women Director on its Board as required under Regulation 17(1)(a) of SEBI Listing Regulations.
- (c) In terms of the Regulation 18(1) of the SEBI Listing Regulations and Para 4.1.1 of the DPE Guidelines, the Audit Committee was not constituted due to inadequate number of Independent Directors on the Board from 27 Dec 2024 to 31 Mar 2025. However, the Company had proper composition of Audit Committee up to 26 Dec 2024.
- (d) In terms of the Regulation 19(1) of the SEBI Listing Regulations and Para 5.1 of the DPE Guidelines, the Nomination and Remuneration Committee was not constituted due to inadequate number of Independent Directors on the Board from 11 Dec 24 to 31 Mar 25. However, the Company had proper composition of Nomination and Remuneration Committee up to 10 Dec 2024.
- (e) Certain corporate governance requirements as provided in the SEBI Listing Regulations namely, Regulations 17(4), Regulation 18(2) & (3) read with Para A of Part C of Schedule II and Regulation 19(4) read with Para A of Part D of Schedule II, could not be complied with by the Company, as by the virtue of being a Government company, and the compliance with the said requirements is beyond the control of the Company.
- (f) In view of exemption granted to Government Companies vide notification dated 05 Jun 2015 issued by Ministry of Corporate Affairs, from complying with the provisions of Section 134(3)(p) of the Companies Act, 2013, the Company has not carried out the requirements under the Regulation 17 (10) of the SEBI Listing Regulations, which requires the performance evaluation of Independent Directors by the entire Board of Directors, and Regulation 25 (4) of the SEBI Listing Regulations, which requires the Independent Directors to review the performance of Non-Independent Directors, the Chairperson and the Board as a whole.

I also state that the Company being a Government Company under the administrative control of the Ministry of Defence ("MoD"), the power to appoint Directors (including Independent Directors) and the terms and conditions of such appointment vests with the Government of India. It has been informed by the Company that the matter regarding appointment of required number of Independent Directors and Woman Independent Director has been taken up with MoD, from time to time. Further, the performance evaluation of Directors are being made by the Government.

I 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 **Maheshwari R & Associates**
Company Secretaries

Sd/-
Rashmi Maheshwari
C.P.No.: 3309 of ICSI
FCS : 5126
UDIN: F005126G000909150

Date: 01 August, 2025
Place: Kolkata

ANNEXURE - IV

CEO AND CFO COMPLIANCE CERTIFICATE

To,
The Board of Directors,
Garden Reach Shipbuilders & Engineers Limited,
Kolkata

Dear Members of the Board,

We, Cmde P R Hari, IN (Retd.), Chairman & Managing Director and Shri Ramesh Kumar Dash, Director (Finance) & Chief Financial Officer certify that:

1. We have reviewed the Financial Statements including the Cash Flow statement of Garden Reach Shipbuilders & Engineers Limited (the Company) for the year ended 31st March, 2025 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. To the best of our knowledge and belief, none of the transactions entered into by the Company during the year which are fraudulent, illegal or violates of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the Auditors and steps have been taken to rectify these deficiencies.
4. We have indicated to the Auditors that:
 - (i) there has not been any significant change in internal control over financial reporting during the year under reference;
 - (ii) that there are no significant changes in accounting policies made during the year, subject to changes in the same and the same have been disclosed in the Notes to the Financial Statements; and
 - (iii) that there are no instances of any significant fraud of which we have become aware and the involvement there in, if any, of the Management or an employee having a significant role in the company's internal control system over financial reporting.

Kolkata
13th May, 2025

Sd/-
Ramesh Kumar Dash
Director (Finance) & CFO
DIN: 08511344

Sd/-
Cmde P R Hari, IN (Retd.)
Chairman & Managing Director
DIN: 08591411

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	: L35111WB1934GOI007891
2. Name of the Listed Entity	: Garden Reach Shipbuilders & Engineers Limited
3. Year of incorporation	: 26 Feb 1934
4. Registered office address	: GRSE Bhavan, 61, Garden Reach Road, Kolkata, West Bengal – 700 024
5. Corporate address	: GRSE Bhavan, 61, Garden Reach Road, Kolkata, West Bengal – 700 024
6. E-mail	: co.sec@grse.co.in
7. Telephone	: 033-2469 8101
8. Website	: www.grse.in
9. Financial year for which reporting is being done	: 2024-25
10. Name of the Stock Exchange(s) where shares are listed	: 1. National Stock Exchange of India Limited (NSE) 2. BSE Limited (BSE)
11. Paid-up Capital	: ₹1,14,55,20,000
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	: Shri Sandeep Mahapatra (Company Secretary), Garden Reach Shipbuilders & Engineers Limited, GRSE Bhavan, 61, Garden Reach Road, Kolkata - 700024, Telephone: 033-2469 8545 E-mail: co.sec@grse.co.in
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	: Standalone Basis
14. Name of assurance provider	: NA
15. Type of assurance obtained	: NA

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
01.	Manufacturing	(i) Shipbuilding	93.81
		(ii) Engineering	2.95
		(iii) Diesel Engine	1.00
02.	Service	(iv) Ship Repair	2.24

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
01.	Shipbuilding	301	93.81
02.	Engineering	281	2.95
03.	Diesel Engine	711	1.00
04.	Ship Repair	331	2.24

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	7 (Seven)	6 (Six)	13 (Thirteen)
International	Nil	Nil	Nil

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Our product reach covers the entire Indian Territory through our Defence Forces.
International (No. of Countries)	Around 11 countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

1.45%

c. A brief on types of customer

GRSE supplies to both national and international customers catering to the Defence as well as Civil operations. The majority of the Company's supplies are directed towards the Indian Defence Services namely, Indian Navy (IN), Indian Coast Guard (ICG), Indian Army (IA), and Border Road Organisation (BRO). In addition, GRSE also serves various government agencies such as Central Public Works Department (CPWD), State Public Works Departments (State PWDs), and State Government bodies.

IV. Employees

20. Details as at the end of Financial Year: 2024-25

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	593	541	91.23	52	8.77
2.	Other than Permanent (E)	116	105	90.52	11	9.48
3.	Total employees (D + E)	709	646	91.11	63	8.89
WORKERS						
4.	Permanent (F)	930	906	97.42	24	2.58
5.	Other than Permanent (G)	46	46	100	0	0
6.	Total workers (F + G)	976	952	97.54	24	2.46

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	14	13	92.86	1	7.14
2.	Other than Permanent (E)	1	1	100	0	0
3.	Total differently abled employees (D + E)	15	14	93.33	1	6.67
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	34	32	94.12	2	5.88
5.	Other than permanent (G)	4	4	100	0	0
6.	Total differently abled workers (F + G)	38	36	94.74	2	5.26

21. Participation/ Inclusion/ Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.67
Key Management Personnel	1	0	0

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	1.50 %	1.90%	1.50 %	3.20 %	3.92%	3.30 %	2.60 %	0	2.60 %
Permanent Workers	0	0	0	0	0	0	0	0	0

V. Holding, Subsidiary and Associate Companies (including joint ventures)**23. (a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
01	NA	NA	NA	NA

VI. CSR Details**24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes**

- Turnover - ₹5,07,568.77 lakh
- Net worth - ₹2,07,926.24 lakh

VII. Transparency and Disclosures Compliances**25. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

During the financial year 2024-25, investor complaints/grievances received by the Company and through SEBI Scores Platform, NSE, BSE and Registrar & Transfer Agent have been resolved within the prescribed time.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes (www.pgportal.gov.in)	17	3	These complaints are tracked through Centralised Public Grievance Redress and Monitoring System (CPGRAMS) portal under the Ministry of Personnel, Public Grievances & Pensions, the Department of Administrative Reforms and Public Grievances	19	6	These complaints are tracked through Centralised Public Grievance Redress and Monitoring System (CPGRAMS) portal under the Ministry of Personnel, Public Grievances & Pensions, the Department of Administrative Reforms and Public Grievances
Investors (other than shareholders)	No	0	0	NA	0	0	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes*	5	0	NA	0	0	NA
Employees and workers	Yes (Grievances are received through email or letters. Hence, there is no web link available)	0	0	Service related matters	1	1	Service related matters
Customers	Yes**	0	0	The issues have been deliberated in Structured Meeting with Customers and have been attended.	0	0	The issues have been deliberated in Structured Meeting with Customers and have been attended.
Value Chain Partners	Yes (No web link available)	-	-	NA	-	-	NA
Other (please specify)	-	-	-	-	-	-	-

* Shareholders queries / complaints are being handled by the Company both directly and with the support of RTA. Further, the Company has Stakeholder Relationship Committee to redress the complaints received from the shareholders as per SEBI Listing Regulations. Hence, there is no web link

** GRSE deals with Defence Customers and therefore all the communication is through confidential mode as per the requirement of Customer. So, there is no web link.

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Environmental Footprint – Water Management	Risk	Inadvertent non-compliance with existing and emerging regulations around recycling can result in economic penalties and reputation damage	Reduction in waste generation, maximization of recycling and reuse.	Negative
2.	Regulatory Compliance	Risk	Violating regulatory compliance often results in legal punishment, including fines and penalties	1. Creating a strong ethical organisational culture with focus on transparency and compliance 2. Regularly carrying out risk assessments to identify areas of potential exposure to compliance-related risks	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Corporate Governance - Board composition	Risk	GRSE, being a CPSE, the appointment of Directors are made by Govt. of India through Presidential orders. The Company has no control over filling up of the vacancy within the stipulated time frame specified under the Act/ Rules / Regulations, to comply the same.	The Company is taking advance action with Administrative Ministry, i.e. Ministry of Defence to appoint Directors in time.	Negative
4.	Sustainable supply chain and sourcing	Opportunity	Ensuring a green, local, and socially sound supply chain can contribute to stability and diversity while also creating local employment	Not Applicable	Positive
5.	Human Capital Development	Opportunity	Investment in employee /talent development & retention leads to improvement in productivity and innovation.	Not Applicable	Positive
6.	Positive Labour practices	Opportunity	Enhancing workplace and industrial relations lead to improvement in productivity and organizational harmony.	Not Applicable	Positive
7.	Health and Safety	Risk	Health & safety at Workplace is an integral part of managing a business. Risk assessment is necessary to put measures in place to effectively control them to ensure that the hazards and risk do not cause harm to employees and workers.	Training, awareness programs, technological upgrades, and regular senior-level reviews.	Negative
8.	Waste Management	Opportunity	Opportunity to reduce waste generation, ensure compliance with statutory requirements and enhance resource efficiency.	Not Applicable	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	Policies are uploaded on the website of the Company at https://grse.in/policies/ and on the Company's Intranet portal.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Provisions of SEBI Regulations and DPE Guidelines	ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018	ISO 45001: 2018 and DPE Guidelines	Section 135 of Companies Act, 2013, DPE Guidelines and SDGs	DPE Guide-lines and SDGs	ISO 14001: 2015 and ISO 50001: 2018	DPE Guidelines and SDGs	Section 135 of Companies Act, 2013 and DPE Guide-lines	ISO 9001: 2015 and SDGs
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	MoU has been signed between GRSE and Ministry of Defence for financial, non-financial targets and compliance parameters for the year 2024-25 with weightage of 100 marks.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	MoU for the year 2024-25 is under evaluation. On the completion of evaluation, the same will be submitted to MoD/DPE for further evaluation and award of rating.								
7. Governance, leadership and oversight									
Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements <i>(listed entity has flexibility regarding the placement of this disclosure)</i>									
At GRSE, sustainability is deeply embedded in our operational ethos. Over the years, we have made investments to adopt the renewable energy, conservation of natural resources, responsible treatment and disposal of both solid and liquid waste, and optimize the use of water.									
We have implemented various process improvements and worked towards installation of Effluent Treatment Plants, Fume Extractors, Chillers/Air Conditioning systems, and energy-efficient LED Lighting, contributing to enhanced operational efficiency and environmental compliance.									
On the Social front, we are committed to upholding human rights, fostering human capital development, and ensuring the health and safety of our employees, contractors, customers, and other stakeholders.									
On the Governance side, as a CPSE, we are compliant with the applicable rules, regulations, and best practices prescribed by local and national regulatory bodies and have robust governance mechanisms to address the governance-related issues. Our strong governance framework ensures accountability, transparency, and effective oversight across the areas of operation.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	DIN Number				10205285				
	Name				DIG Subrato Ghosh, ICG (Retd.)				
	Designation				Director (Personnel)				
	Telephone No.				033-24691040				
	Email ID				dp@grse.co.in				
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. Management Committee.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action																		
	Directors									Policies are reviewed periodically or on a need basis from time to time and necessary updates are made wherever required.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances*																		
	Directors									As and when required.								

* Complied, except for the composition of the Board of Directors & constitution of its Committee under SEBI (LODR) Regulations, due to non-appointment of Independent Directors. As the Company is a CPSE, appointment of directors are made by Government of India through Presidential orders. Accordingly, the matter has been referred to the Administrative Ministry i.e. the Ministry of Defence (MoD), for nomination of directors and filling up the vacant post. The same is currently under consideration.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.									
	No external evaluation was undertaken; however, the policies, processes and compliances are subject to scrutiny/ reviews by internal & external auditors, regulators, Parliamentary Committees, Administrative Ministry, etc. Policies are periodically accessed and updated by respective department and business heads, with the necessary approval from the management and/ or the Board of the Company.								
12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:									
The entity does not consider the Principles material to its business (Yes/No)	As the company has formulated policies based on all the nine Principles, hence Not Applicable.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1:

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	Corporate Governance, Finance, Risk Management, Strategic Management, etc.	25
Key Managerial Personnel	2	ESG and Governance	100
Employees other than BoD and KMPs	107	Training / Awareness Programs pertaining to wellness of the employees, CDA, safety, environment & sustainability, etc.	31.47
Workers	40	Training / Awareness Programs will enable the employees to acquire the knowledge / skills for enhancement of their capabilities.	51.54

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred (Yes/ No)
Penalty/ Fine	1	NSE* BSE*	25,87,740 25,87,740	During FY 2024–25, the Company could not comply with Regulation 17(1) of the SEBI (LODR Regulations), 2015 relating to the composition of the Board of Directors. This non-compliance arose due to the non-appointment of the requisite number of Independent Directors, including a Woman Independent Director, by the Government of India. As a result, the Audit Committee (from 27 Dec 2024) and the Nomination and Remuneration (from 11 Dec 2024) remained not constituted till 31 Mar 2015, leading to non-compliance of Regulations 18(1) and 19(1)/ 19(2) of the SEBI (LODR) Regulation, 2015. As a CPSE, the Company does not have the authority to appoint Directors. Such appointments are made by the Government of India through Presidential Orders. The matter has been referred to our Administrative Ministry, i.e., the Ministry of Defence, and is currently under consideration.	Yes
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding Fee	NIL	NIL	NIL	NIL	NIL

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred (Yes/ No)
Imprisonment	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
<p>During FY 2024–25, monetary penalties were levied by the Stock Exchanges due to non-compliance with 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), arising from non-availability of the adequate number of Independent Directors including Women Independent Director on the Board of the Company.</p> <p>As a result, the Company was also unable to reconstitute the Audit Committee and the Nomination and Remuneration Committee in accordance with Regulations 18(1) and 19(1)/ 19(2) of the SEBI LODR Regulations. Specifically, the Company did not have a duly constituted Nomination and Remuneration Committee from 11 Dec 2024 to 31 Mar 2025, and the Audit Committee from 27 Dec 2024 to 31 Mar 2025.</p> <p>As a CPSE, the Company does not have the authority to appoint Directors, which is the prerogative of the Government of India through Presidential Orders. The matter has been referred to the Administrative Ministry, i.e., the Ministry of Defence, and is currently under consideration. The delay in appointments and the resulting non-compliance is beyond the control of the Company.</p> <p>In reply to the penalty notices, the Company submitted quarter wise response to the Stock Exchanges through letters dated 22 Aug 2024, 22 Nov 2024, 18 Mar 2025, and 30 May 2025, requesting waiver of the penalties. However, as per SOP of SEBI, the Stock Exchanges are unable to consider such requests until the underlying non-compliances are complied/ resolved.</p>	NSE & BSE

4. Does the entity have details in brief and if available, provide a web-link to the policy.

Yes. The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. To this end, the Company has adopted the code of conduct, which lays down the principles and standards that guide and governs the actions of the Company and its employees. In line with this, a Whistle Blower Policy has been formulated in the Company, providing a mechanism for employees to report and potential violations of the Code directly to the Chairman of the Audit Committee. The Web link of the policy is <https://grse.in/wp-content/uploads/2022/04/Whistle-Blower-Policy-1.pdf>.

Further, to ensure transparency and integrity in procurement and contracting processes, GRSE has adopted Integrity Pact with all vendors / suppliers / contractors' / service providers for all Orders / Contracts of value ₹200 lakh and above. This Integrity Pact enables the bidders to raise any issues with respect to high value tenders floated from time to time with the Independent External Monitor (IEM). IEMs are appointed by the Central Vigilance Commission (CVC), who oversee implementation of the Integrity Pact.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2024-25	FY 2023-24
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No fines/penalties/actions were imposed by regulators/law enforcement agencies or judicial institutions on cases related to corruption and conflict of interest on GRSE during the financial year.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024-25	FY 2023-24
Number of days of accounts payables	90	107

9. Open-ness of business:

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NIL*	NIL*
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	NIL	NIL
	b. Number of dealers / distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	NIL	NIL
	b. Sales (Sales to related parties / Total Sales)	NIL	NIL
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	NIL	NIL
	d. Investments (Investments in related parties / Total Investments made)	NIL	NIL

*GRSE material procurement is made through qualified suppliers, i.e., either directly through OEMs or their authorized distributor/ stockiest.

Leadership Indicators

1. Awareness programs conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programs held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programs
NIL	NA	NIL

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has established processes to manage and avoid conflicts of interest involving Board members/ the disclosures/declarations regarding Directorship, Committee positions, and shareholding is obtained from Board Members upon appointment and annually thereafter.

Before entering into any transactions involving related parties or potentially interested individuals/ entities, the Company ensures that all requisite approvals are in place. Additionally, Directors are who deemed to be interested Directors in any agenda item abstain from participating in discussions or voting on such matters at Board/Committee Meetings.

PRINCIPLE 2:**BUSINESS SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE****Essential Indicators**

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	NIL	NIL	NA
Capex	2.34%	4.68%	Improvement in Green Energy

2. **(a) Does the entity have procedures in place for sustainable sourcing?**

Yes. The Company follows the Government of India's "Make in India" policy, which mandates a minimum of 20% local content in supplies. Additionally, if there is an MSME among the bidders, subject to purchase preference margin conditions, they will be considered for 25% of procurement of the tender quantity. 3% from within the 25% target is earmarked for procurement from Micro and Small Enterprises owned by women.

All bidders are required to adhere to a code of conduct that promotes ethical behavior and explicitly prohibits bribery. Furthermore, for procurements valued ₹2 crore, Integrity Pact is signed to ensure transparency and accountability.

- (b) If yes, what percentage of inputs were sourced sustainably?**

While formal compliance with sustainable sourcing standards is not a mandatory requirement, for all vendors, many suppliers have voluntarily adopted such practices. During FY 2024-25, 74% of the total procurement value was sourced from supply chain partners who have implemented sustainable practices.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

GRSE primarily manufactures capital goods such as Warships, Vessels, Bailey Bridges, Ship Engines and other accessories, which have a long operational life, often exceeding 25 years. These products are intended for strategic and national security use and do not return to the Company after sale.

At the end of their lifecycle, these products are typically deemed unfit for reuse and are disposed as scrap by respective owners. As such, the Company does not have direct involvement in the reclamation or disposal process of these goods.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

EPR is not applicable to GRSE's activities.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
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Not applicable – The Company primarily manufactures ships, which are long-life capital goods. Once delivered, these products do not return to the Company, and therefore, Life Cycle Assessments (LCA) are not conducted.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
NIL		

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25	FY 2023-24
	NIL	NIL

The Company's manufacturing processes generates a certain amount of metal scrap. Engineering measures are place to minimize waste generation. A portion of the scrap is reused internally, while the remaining is disposed off through a defined and approved process.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2024-25			FY 2023-24		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NIL	NIL	NIL	NIL	NIL	NIL
E-waste	NIL	NIL	NIL	NIL	NIL	NIL
Hazardous waste	NIL	NIL	NIL	NIL	NIL	NIL
Other waste	NIL	NIL	NIL	NIL	NIL	NIL

GRSE operates in a B2B environment, manufacturing capital goods such as warships and related systems, which have a long service life (typically over 25 years). Due to the nature of the products and their usage, there is no provision for reclaiming the products or packaging materials from the customer at the end of their life-cycle.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
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NA

There is no use of packaging in case of ship building, ship repair and other products of the Company. Further, the products once sold, they would not come back to the Company.

PRINCIPLE 3

BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

1. (a) **Details of measures for the well-being of employees:**

% of employees covered by											
Category	Total (A)	Health insurance (*)		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/ A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	541	-	-	-	-	-	-	15	2.77	-	-
Female	52	-	-	-	-	2	3.85	-	-	-	-
Total	593	-	-	-	-	2	0.34	15	2.53	-	-
Other than Permanent employees											
Male	105	-	-	-	-	-	-	2	1.90	-	-
Female	11	-	-	-	-	1	9.09	-	-	-	-
Total	116	-	-	-	-	1	0.86	2	1.72	-	-

(b) Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance (*)		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/ A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	906	-	-	-	-	-	-	3	0.33	-	-
Female	24	-	-	-	-	1	4.17	-	-	-	-
Total	930	-	-	-	-	1	0.11	3	0.32	-	-
Other than Permanent workers											
Male	46	-	-	-	-	-	-	-	-	-	-
Female	0	-	-	-	-	-	-	-	-	-	-
Total	46	-	-	-	-	-	-	-	-	-	-

(*) Medical facility is administered by the Company through its own resources under Medical Attendance Rules of the Company.

(c) Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the company	0.64%	0.93%

2. Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	NA	100	100	NA
ESI	NA	NA	NA	NA	NA	NA
Others – (GRSE Pension scheme)	NA	NA	NA	NA	NA	NA

Note:

- (i) The medical needs of permanent employees/ workers have been taken care by the Company Industrial Health Centers set up within the Units of the company. In case of specialized treatment, employees/ workers are referred to empaneled Hospitals. Since medical needs of the permanent employees/ workers have been taken care by the Company, no separate Health Insurance is taken.
- (ii) In addition to Provident Fund and Gratuity, all employees and workers are covered under GRSE pension scheme/ National Pension Scheme (NPS) as part of retirement benefits.
- (iii) ESI provisions are not applicable, as equivalent or better medical facilities are already extended to all employees by GRSE.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. All office premises and units of GRSE are accessible to the differently abled employees and workers. The Company is continuously working towards improving accessibility of Infrastructure to the differently abled person and made in accordance to the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the web link to the policy is <https://www.grse.in/equal-opportunity-policy/>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/ No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Employees	Yes
Other than Permanent Employees	Yes

GRSE has established multiple online grievance redressal platforms, including a dedicated Grievance Redressal System. These platforms allows enable employees and workers to systemically raise concerns, provide feedback, and share their opinions/ views with the Company in a structured and transparent manner.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in Respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	593	443	74.70	580	438	75.52
▪ Male	541	407	75.23	529	402	75.99
▪ Female	52	36	69.23	51	36	70.59
Total Permanent Workers	930	930	100.00	993	993	100.00
▪ Male	906	906	100.00	965	965	100.00
▪ Female	24	24	100.00	28	28	100.00

8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	646	240	37.15	426	65.94	593	91	15.35	441	74.37
Female	63	31	49.21	45	71.43	58	11	18.97	49	84.48
Total	709	271	38.22	471	66.43	651	102	15.67	490	75.27
Workers										
Male	952	236	24.79	132	13.87	966	309	31.99	187	19.36
Female	24	7	29.17	1	4.17	28	8	28.57	3	10.71
Total	976	243	24.90	133	13.63	994	317	31.89	190	19.11

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	%(B/ A)	Total (C)	No. (D)	%(D/ C)
Employees						
Male	646	646	100.00	593	593	100.00
Female	63	31	49.21	58	58	100.00
Total	709	677	95.49	651	651	100.00
Workers						
Male	952	236	24.79	966	966	100
Female	24	7	29.71	28	28	100
Total	976	243	24.90	994	994	100

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

Yes. GRSE has implemented a comprehensive Occupational Health and Safety Management System (OHSMS) across all its units, which are ISO certified as per applicable standards.

The Company is committed to upholding the highest standards of workplace health and safety, exceeding statutory and regulatory requirements. Health and safety are integral to all GRSE operations, with continuous efforts made to prevent workplace related illnesses and accidents.

The OHSMS facilitates proactive risk assessment, implementation of preventive measures, and compliance with all relevant regulations, policies, and guidelines. Internal and surveillance audits and evaluations are conducted on a regular basis, which leads to continuous improvement in safety standards and performance.

b. What are the processes used to identify Work-related Hazards & Assess Risks on a routine and non-routine basis by the Company?

The Company adopts a structured approach to identify work related hazards & assess associated risks, both on a routine and non-routine basis. The key processes include:

- (i) Hazard Identification and Risk Assessment
- (ii) Aspect and Impact Register
- (iii) Check List
- (iv) Safety Inspections/ Observations
- (v) Drive & Campaigns
- (vi) Safety Audits
- (vii) Work zone monitoring

c. Whether Company has process for Workers to report the work-related Hazards & to remove themselves from such risks? (Yes / No)

Yes

d. Do the Employees / Workers of the Company have access to non-occupational medical & healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format:

Safety Incident I Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	2.72	1.24
	Workmen (Contractor)	0.29	0.66
Total recordable work-related Injuries	Employees	07	03
	Workmen (Contractor)	03	06
No. of fatalities	Employees	Nil	Nil
	Workmen (Contractor)	Nil	01
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workmen (Contractor)	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company has implemented the following measures to maintain a safe and healthy working environment:

- Provisions of adequate workplace infrastructure, including proper ventilations, lighting, machine guards, and exhaust systems.
- Basic amenities, such as safe drinking water, rest rooms, and dedicated First Aid Centers.
- Supply and Enforcement of Personal Protective Equipment for all relevant work activities.
- Awareness and training initiatives, including the display of safety signage, precautionary boards, and regular trainings on Fire, Safety, Health and First Aid.
- Implementation of work permit systems, covering high risk activities such as working at Height, Hot Work and blasting/painting tasks.
- Periodical Health Check-up for employees to monitor and maintain their well being.
- Celebration of Safety Day, which includes safety banners., distribution of safety badges, taking safety pledge and displaying safety awareness posters, etc.
- Arrangement for 'Behavior Based Safety' training programme for employees for safety awareness and safety culture in the workplace.

13. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NA	NIL	NIL	NA
Health & Safety	NIL	NIL	NA	NIL	NIL	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

During the year 2024-25, HSE Safety Audit carried out by DNV Auditors during "DNV Builders Review for MPV Project.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

- All safety related incidents are thoroughly investigated, and the key learnings are shared across organization to ensure implementation of corrective actions and prevent recurrence of such incidents. The effectiveness of these corrective measures is subsequently evaluated during Safety Audits.
- Standard Operating Procedures (SOPs) and "Contractors' Safety Guidelines" are reviewed and updated based on the nature of the incident and the specific operational area concerned.
- Significant risks/concerns arising from assessment of Health and Safety Practices and working conditions are addressed through the following risk control hierarchy i.e. elimination, substitution, engineering control (use of Technology/Digitization etc.), administrative control (Safety Capability Building, Monitoring and supervision, visual displays etc.) and usage of PPEs.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

A. Employees	Yes
B. Workers	Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Bills of the value chain partners are cleared after ensuring remittance of applicable statutory dues to the concerned authorities by verifying deposit / remittance challans submitted along with the bills.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	0	0	0	0
Workers	2	1	2	1

Note: Family members have been placed for suitable employment under contractual in all cases.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

5. Details on assessment of value chain partners:

All of GRSE's value chain partners operate under the purview of applicable labour laws and acts, because of which both the Central and State labour department conduct periodic inspections related to health and safety practices and working conditions at the premise of value chain partners. Any gaps identified during these inspections are suitably addressed by the concerned partners to ensure adherence to regulatory standards.

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NIL
Working Conditions	NIL

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners

Not Applicable, since the company currently does not undertake any assessment for its value chain partners.

PRINCIPLE 4

BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

GRSE has a well-defined system in place for identifying and engaging with its key stakeholder groups. Stakeholder engagement is an ongoing and integral process wherein the Company interacts with various stakeholders across multiple levels to understand their expectations and foster mutual collaboration for creating shared value.

The Company has built a strong and constructive relationships with its stakeholders, built on the pillars of trust, transparency, ethics, and accountability. A continuous two-way communication process, including regular feedback mechanisms on matters impacting the Company's operations, has enabled GRSE to cultivate sustainable stakeholder relationships.

Key stakeholders include customers, suppliers, employees, shareholders, government authorities, regulatory and statutory bodies, auditors, bankers, and the local communities in and around the Company's operational units and divisions.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Email, Letters, Meetings, Website etc.	Regularly	Assessment of customer needs, their requirement, complaints resolution, business enquiries etc.
Investors/ Shareholders	No	Website, Email, Letters, Meetings, Press Releases, Stock Exchange Disclosures, Annual Report, Investor Meets, Investor calls, etc.	Engagement is done on Quarterly, Half yearly & Annual basis as well as whenever the event occurs.	All events required shareholders' approval, resolution of grievances and disclosures required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.
Employees	No	Email, Notice Board, E-Newsletter, Magazine, C&MD's message on events, Shop council, Plant council, portal (Ask Anvesha), rewards and recognition, engagement through family activity program 'Ahoban', etc.	Weekly, Monthly, Yearly and Occasionally	Information on Company activities, Building strong employee engagement, recognition and rewards, building strong organization culture, leadership development, union engagement.
Vendors/ Suppliers	No	Website, Emails, GRSE website, Vendor meets etc.	Regularly	To make vendors/suppliers aware of: <ul style="list-style-type: none"> Public Procurement Policy (Preference to Make in India) Import substitution Participating in tenders issued on GeM portal Lodging and tracking grievances on GRSE's grievance redressal portal. GRSE quality objectives
Industry bodies & Regulators	No	Email, Letters, Meetings	As and when required.	Ensure 100% compliance to applicable laws
Experts / Academic and Research Institutions	No	Collaborative need-based engagements on mutually beneficial projects, case based Meetings.	Need basis	Ensuring technical, managerial and leadership alignment with customer requirement and regulatory needs
Governments, NGO, local Communities, Media Industry analysts, and society at large	No	As needed: Governance RFIs/ RFPs, presentations, project meetings, reviews, due diligence, calls and meetings, conferences and seminars, surveys, press releases, press conferences, media interviews and quotes, sponsored events, and Analyst meetings.	Monthly, Quarterly, Half Yearly and Need based.	<ul style="list-style-type: none"> Communicate GRSE performance and strategy; Share and contribute to insight into public and business concerns; Discuss GRSE response to responsible business issues.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

GRSE firmly believes in maintaining ongoing dialogue with our Stakeholders, demonstrating our commitment to transparency and accountability. Our leadership actively engages with stakeholders through various platforms to ensure the feedback from stakeholders are incorporated on economic, environmental or social topics. To facilitate this engagement, GRSE has established several committees dedicated to key areas of concern:

- The Safety, Health and Sustainability (SHS) Committee assesses our performance in safety, health and sustainable issues and overseeing the implementation of Company's relevant policies.
- The Corporate Social Responsibility (CSR) Committee plays a pivotal role in formulating and recommending CSR policies to the Board. Additionally, it meticulously monitors CSR Budget allocations, activities and expenditures to ensure alignment with our commitment to Social responsibility.
- Stakeholders' Relationship Committee is entrusted with evaluating statutory compliances and services related to dividend payments, security holders and the performance of Registrar and Transfer Agent (RTA), thereby enhancing trust and transparency in our interactions.

In line with our dedication to Shareholders engagement, we offer shareholders the opportunity to interact with all Board Members annually during the AGM. This forum allows us to stay attuned to the evolving needs and concern of our stakeholders reinforcing our pledge to remain accountable and responsive to their interest.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. Stakeholder consultation is key to identification of areas of improvement in corporate environmental & social efforts. Stakeholders have provided their support to various environmental & social endeavours of GRSE viz. Indigenization under Atmanirbhar Bharat, Development of import substitution equipment, Promotion and utilisation of solar energy, Empowerment of women employees, etc.

In the case of CSR projects and environmental conservation efforts outside the GRSE's operational boundaries, consultations are held with local communities, regulatory bodies, and other relevant stakeholders. Their feedback helps in effective resource allocation and ensures that the initiatives undertaken deliver maximum impact and social value.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

The Company's action to address the concerns of vulnerable / marginalized Stakeholder groups include some of the programs as follows:

- a) Reservation in appointment for socially disadvantaged sections of the society i.e. Scheduled Castes, Scheduled Tribes, Other Backward Classes, Economically Weaker Section and Physically Challenged.
- b) Through CSR activities the Company have undertaken following activities:
 - i) Skill and Vocational Training to unemployed youths
 - ii) Adoption of ITI in the backward area.
 - iii) Empowering differently abled children supporting classes of Indian Institute of Cerebral Palsy (IICP), Kolkata.
 - iv) Apprenticeship program for students belonging to Below Poverty Line (BPL)
 - v) Bringing lasting change in the lives of vulnerable children in association with CRY by providing healthy and safe environment to study, learn and grow.
- c) MSMEs have been given priority in project tendering with women-owned and SC/ST owned MSMEs being given an earmarked portion of procurement.

PRINCIPLE 5

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	593	173	29.17	580	152	26.21
Other than Permanent	116	50	43.10	71	20	28.17
Total Employees	709	223	31.45	651	172	26.42
Workers						
Permanent	930	10	1.08	993	4	0.40
Other than Permanent	46	0	0.00	1	0	0.00
Total Workers	976	10	1.02	994	4	0.40

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25					2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	593	-		593	100	580	-		580	100
▪ Male	541	-		541	100	529	-		529	100
▪ Female	52	-		52	100	51	-		51	100
Other than Permanent	116			116	100	71			71	100
▪ Male	105	-		105	100	64	-		64	100
▪ Female	11	-		11	100	7	-		7	100
Workers										
Permanent	930			930	100	993			993	100
▪ Male	906	-		906	100	965	-		965	100
▪ Female	24	-		24	100	28	-		28	100
Other than Permanent	46	-		46	100	1	-		1	100
▪ Male	46	-		46	100	1	-		1	100
▪ Female	0	-		0	0	0	-		0	0

3. Details of remuneration/salary/wages

a. Median remuneration/ wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in Lakh)	Number	Median remuneration/ salary/ wages of respective category (₹ in Lakh)
Board of Directors (BoD)				
▪ Functional Directors	4	77.78	0	NA
▪ Govt. Nominee Director	0	Nil	1	Nil
▪ Independent Director	1	NA	0	
Key Managerial Personnel	1	43.50	0	0
Employees other than BoD and KMP:				
Officers	506	22.67	39	23.44
Supervisors	177	8.42	28	10.76
Workers	1009	16.24	28	12.74

Note:

- The Board of Directors and KMPs as on 31.03.2025 has been considered. Median Salary arrived based on salary & perquisite as per Section 17(1) & 17(2) of the Income Tax Act, 1961 for the year 2024-25.
- Remuneration details of Board of Directors and KMPs are as covered under Corporate Governance Report, which is part of the Annual Report 2023-24.
- Government Nominee Director does not receive any remuneration from the Company.
- Independent Director receives the sitting fees for attending the meeting of Board and its Committees.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	4.76%	4.89%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The Head of HR Department is the focal point responsible for addressing human rights impacts or issues caused or contributed to by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

No separate mechanism exists in the Company for Redressal of Human Rights Issues. However, Grievance mechanism is functioning to resolve employees' grievances on service-related matters and other issues.

The Company is committed to prohibiting discrimination, retaliation or harassment of any kind against any employee who reports under the Whistle Blower Mechanism or participates in the investigation. The Whistle Blower Policy, Code of Conduct and Grievance Policy holds a strong commitment to protect the identity of the complainant and maintain confidentiality through each stage of investigation. Further, Internal complaints committee has been founded as per statutory provisions to address and resolve the issues raised out of sexual harassment, works committee deals with complaints related to working conditions, safety issues etc. and grievance redressal policy provides mechanism to report and resolve employee grievances.

In the Company, no discrimination of any kind based on race, creed, gender, religion, language, physical characteristics, socio-economic status, place of birth etc. is done. The following Committees exist for resolving employees' grievances on service related matters and other issues:-

- Grievance Redressal Committee for employees
- Public Grievance is addressed by the Public Grievance Officer in consultation with the concerned dealing Department.
- Internal Complaints Committee to address sexual harassment.
- Employee Connect Committee to address general issues
- Employee Connect Committee for lady employees
- Whistle Blower Mechanism to protect the whistle blower from any harassment / victimisation.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/ Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	6	2	Including 01 Pending complaint of 2023-24 resolved during FY 2024-25	3	3	Complaints were carried forward to FY 2024-25
Human Rights related issues	Nil	Nil	-	Nil	Nil	-
Others	Nil	Nil	-	3	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Female employees/ workers	87	86
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	NA	NA

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

In GRSE, there is a proper mechanism to prevent adverse consequence of the complainant in sexual harassment cases. GRSE also has a dedicated Grievance Redressal System, under which internal complaints' Committee has been formed to take cognizance of complaints. A detailed enquiry is conducted and serious action is taken, if anyone is found guilty.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/ No)

Yes, human rights requirement forms part of business agreement or contract. The service contracts between GRSE and service providers contain clause meeting human rights requirement like child labour, minimum wages etc.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100

GRSE conducts comprehensive assessments of all its plants and offices to ensure compliance on Human rights standards. Internal teams rigorously evaluate each facility, supported by robust checks and controls designed to identify and rectify any violations. These are assessed as part of the regular ongoing reviews by the senior leadership team of the Company.

Further, all GRSE Units are periodically inspected by central and state labour departments, PF and ESI departments and other government institutions or departments for compliance related to relevant law/act/statue and identifying gaps.

11. Provide details of any corrective action taken or underway to address significant risks/ concerns arising from the assessment at Question 10 above?

Throughout FY 2024-25, the Company diligently monitored its operations and identified no significant risks or concerns. However, as part of our commitment to responsible corporate practices, we maintain a vigilant approach through continuous monitoring of our activities.

Leadership Indicators

- Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**
Nil. The Company did not receive any grievances/complaints regarding Human Rights principles and guidelines during 2024-25.
- Details of the scope and coverage of any Human rights due-diligence conducted.**
All locations maintain 100% compliance of statutory provisions. Due reporting of the same is also done to the concerned Government Offices as per the statute. The due diligence for the same is also regulated through the periodic internal inspections.
- Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**
Yes
- Details on assessment of value chain partners:**
GRSE didn't assess its value chain partners on Human Rights criteria as these entities come under labour related laws/acts/statutes and are assessed or inspected by relevant Govt. department/institution.
- Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**
Not Applicable

PRINCIPLE 6

BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

- Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2024-25	FY 2023-24
From renewable sources		
Total electricity consumption (A)	9,087 GJ	6,537 GJ
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	9,087 GJ	6,537 GJ
From non-renewable sources		
Total electricity consumption (D)	37,916 GJ	31,703 GJ
Total fuel consumption (E)	Nil	Nil
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	37,916 GJ	31,703 GJ
Total energy consumed (A+B+C+D+E+F)	47,003 GJ	38,240 GJ
Energy intensity per rupee of turnover (Total energy consumption/ Revenue from operations)	9.26 GJ / Crore	10.64 GJ / Crore
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	191.31 GJ / Crore, USD	219.91 GJ / Crore, USD
Energy intensity in terms of physical output	0	0
Energy intensity (optional) – the relevant metric may be selected by the entity	0	0

Revenue from Operations (Rs Crore) : FY 2024-25: 5,075.69 and FY 2023-24: 3,592.64

For the purpose of calculation of revenue adjusted Purchasing Power Parity (PPP), conversion factor @20.66 INR/USD as per World Bank has been considered.

(Source for PPP - <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency. - No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	3,06,600	2,92,000
(ii) Ground water	3,31,007	3,07,560
(iii) Third party water	5,41,036	4,09,211
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	11,78,643	10,08,771
Total volume of water consumption (in kilolitres)	11,78,643	10,08,771
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	232.21 KL/ Crore	280.79 KL/ Crore
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	4,797.46 KL/ Crore, USD	5,801.12 KL/ Crore, USD
Water intensity in terms of physical output	0	0
Water intensity (optional)–the relevant metric may be selected by the entity	0	0

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - No

4. Provide the following details related to water discharged:

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
• No treatment	0	0
• With treatment – please specify level of treatment	2,050	41,834
(ii) To Groundwater		
• No treatment	22,300	0
• With treatment – please specify level of treatment	0	0
(iii) To Seawater		
• No treatment	0	0
• With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
• No treatment	0	0
• With treatment – please specify level of treatment	0	0
(v) Others		
• No treatment	0	0
• With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	24,350	41,834

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. ETPs (upto 10 KLD capacity) and Soak Pits have been installed at our production locations for treating waste water/effluent. The treated water from the ETPs are used for gardening and other non-portable uses.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	-	NA	NA
SOx	-	NA	NA
Particulate matter (PM)	-	NA	NA
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	NA	NA
Hazardous air pollutants (HAP)	-	NA	NA
Others – please specify	-	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - NA

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	NA	NA
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	7,972 Tonnes per year	6,305 Tonnes per year
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	-	1.571	1.755
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) [Crore-USD]	-	32.46	36.26
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes. The Company actively addressing climate change and global warming through various energy conservation initiatives and the adoption of renewable energy sources. A key measure in this regard is the installation of rooftop solar power plants across multiple units, including Main, FOJ, TU, 61 Park, and RBD.

To date, the Company has commissioned rooftop solar power plants with a cumulative capacity of 2.80 MW (2800 KWP). During the reporting year, these installations collectively generated 25,24,166 kWh of electricity, of which 74,364 kWh was exported to the CESC grid.

This initiative contributed to an estimated reduction in greenhouse gas emissions by approximately 19,10,794 kg of CO₂ {KWh x 0.757 (i.e. Emission factor) = Kg of CO₂}.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0	0
E-waste (B)*	1.71	0
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	2900
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	Paint Drum, Insulation, Electrode – 119.82 Cable – 6 Grease – 1.29	Cable – 11 Dirty Oil – 16
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
Total (A+B + C + D + E + F + G + H)	128.82	2927
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.025 MT / Crore	0.82 MT / Crore
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.52 MT / Crore, USD	16.94 MT / Crore, USD
Waste intensity in terms of physical output	0	0
Waste intensity (optional) – the relevant metric may be selected by the entity	0	0
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	905	900
Total	905	900

* 38 old air conditioners were disposed off, each with an average weight of approx. 45 kg.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Different production units have taken various measures towards environment protection and conservation, governed by various acts and rules like the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, Solid Waste Management Rules, 2016, Air Prevention and Control of Pollution Act (1981), Environment (Protection) Act, 1986, Water Act 1974 (Prevention and Control of Pollution), etc. All Units are ISO 14001 certified and comply with the rules prescribed by respective State Pollution Control Boards. All emissions and waste generation are monitored as prescribed by the Pollution Control Boards.

In our manufacturing activity, reduction of waste generation is taken as a very important activity and our nesting plan for cutting of metal sheet is made in such a way to take care of this aspect. Across GRSE, solid wastes/scrap having resale value were collected, segregated, stored and sold.

Hazardous wastes generated at units are disposed as per the regulatory requirement.

The Company, as part of its operations, generates e-waste from old electrical and electronic systems, computer systems (IT) and communication systems, which needs to be disposed after their life expiry or damage. The e-waste generated and collected is stored in designated areas (under cover) and auctioned through with MSTC Limited for disposal through authorized dismantlers/recyclers/refurbishers.

- 11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Sl. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
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GRSE does not have any operations/offices in /around ecologically sensitive areas.

- 12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Not Applicable. There have been no projects undertaken at any of our locations that would necessitate Environmental Impact Assessment (EIA) during the FY 2024-25

- 13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Sl. No.	Specify the law /regulation / guidelines which was not complied with	Provide details of the non compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
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Not Applicable

Yes, GRSE is compliant with the applicable environmental law/regulations/guidelines in India.

Leadership Indicators

- 1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area – Garden Reach, Kolkata
- Nature of operations – Shipbuilding
- Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface Water	3,06,600	2,92,000
(ii) Groundwater	3,31,007	3,07,560
(iii) Third party water	5,41,036	4,09,211
(iv) Seawater/ desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in Kilolitres)	11,78,643	10,08,771
Total volume of water consumption (in kilolitres)	11,78,643	10,08,771
Water intensity per rupee of turnover (Water consumed/ turnover)	232.21 KL/ Crore	280.79 KL/ Crore
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		

Parameter	FY 2024-25	FY 2023-24
(i) Into Surface water		
• No treatment	0	0
• With treatment – please specify level of treatment	2,050	41,834
(ii) Into Groundwater		
• No treatment	22,300	0
• With treatment – please specify level of treatment	0	0
(iii) Into Seawater		
• No treatment	0	0
• With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
• No treatment	0	0
• With treatment – please specify level of treatment	0	0
(v) Others		
• No treatment	0	0
• With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	24,350	41,834

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	2024-25	2023-24
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	0	0	0
Total Scope 3 emissions per rupee of turnover	0	0	0
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	0	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - No

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas alongwith prevention and remediation activities.

Not Applicable.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

As a responsible global citizen, the organization acknowledges the relation between Green House Gas (GHG) emissions and climate change. To address the Global Challenge, GRSE has been putting efforts in reducing carbon footprint of its products and services, thereby enabling the customers to generate power in a sustainable manner with reduced environmental footprints over the life cycle of the product.

In internal operations also, the organization is putting a major thrust in energy efficiency and use of renewable energy sources. The Company has established a total 2.80 MW Unit of solar photo voltaic (roof top) plants at various GRSE locations which has helped the company in making energy mix more sustainable.

Additionally, the Company has undertaken several environmental initiatives, including water and energy conservation projects, afforestation drives, solid waste management, and overall resource optimization. These efforts collectively aim to minimize the environmental impact of operations and promote long-term sustainability.

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
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5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes. The Risks related to business continuity and disaster management are addressed under the Company's Risk Management Policy, which outlines strategies for ensuring operational resilience and timely response to potential disruptions. The policy is reviewed periodically and forms part of the broader enterprise risk management framework. The Risk Management Policy is available in the website of the company at <https://grse.in/policies>

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No assessment has been undertaken.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

NIL. The value chain partners were assessed themselves for their respective environmental impact.

8. How many Green Credits have been generated or procured:

a. By the listed entity: Nil

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners: Nil

PRINCIPLE 7

BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

1. (a) Number of affiliations with trade and industry chambers/ associations.

The Company has taken Corporate Membership with Eight (08) Nos. of trade and industry chambers/ associations.

(b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
2	Confederation of Indian Industry (CII)	National
3	Standing Conference of Public Enterprises (SCOPE)	National
4	Bengal Chambers of Commerce and Industry (BCCI)	State
5	Society of Defence Technologists (SODET)	National
6	Indian Shipbuilders Association (ISBA)	National
7	Society of Indian Defence Manufacturers (SIDM)	National
8	Indian Maritime Centre (IMC)	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

No instance of anti-competitive conduct raised by regulatory authorities on GRSE.

Name of authority	Brief of case	Corrective action taken
NIL		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

GRSE actively engages with various trade and industry associations, including through industry representations to the Government and regulatory bodies. The Company participates in policy advocacy in a transparent, responsible, and constructive manner, with due consideration to the broader national interest.

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/ No)	Frequency of Review by Board (Annually/ Half Yearly/ Quarterly/ Others – please specify)	Web Link, if available
NIL					

PRINCIPLE 8

BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT:

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web link
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NIL

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
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NIL

3. Describe the mechanism to receive and redress grievances of the community.

Complaints can be received through Public Grievance Portal (www.pgportal.gov.in). In addition, the Company's CSR department has a community feedback mechanism across all its CSR projects. Any aggrieved individual/ groups can express their grievances through this annual exercise or on as and when required basis.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	73.83% (approx.)	73.74% (approx.)
Sourced directly from within India	0	0

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or works employed on a permanent or non-permanent / on contract basis) in the following locations as % of total wage cost

Location	FY 2024-25	FY 2023-24
Rural	-	-
Semi – Urban	-	-
Urban	-	-
Metropolitan	100%	100%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impact identified in the Social Impact Assessments (Reference: Question 1 of Essential indicators above):

Details of negative social impact identified	Corrective action taken
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Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
1	Jharkhand	Ranchi	79.50 lakh
2	Jharkhand	Khunti	15.52 lakh

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

Yes

- (b) From which marginalized /vulnerable groups do you procure?

Social Category (SC/ST) and Companies owned by Women

- (c) What percentage of total procurement (by value) does it constitute?

	FY 2024-25	FY 2023-24
Total procurement made from MSEs	73.83%	73.74%
Procurement from Social Category (SC/ST) Entrepreneurs	3.11%	1.69 %
Procurement from Women Entrepreneurs	6.19%	5.51 %

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes / No)	Benefit Shared (Yes/ No)	Basis of calculating benefit share
1	Nil	No	No	NA

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
NIL		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
i	Holistic development of around 750 underprivileged children of Tribal Villages of West Bengal and Jharkhand	Around 750	100
ii	Monthly health check-up camps at Rajabagan (Kolkata), Naora (South 24 Parganas) and Agarhati (North 24 Parganas) by GRSE Medical Cell	8,177	NA
iii	TB Nikshay Mitra – Supported MDR TB Patients by GRSE Medical Cell	157	100
iv	100 Days for TB Elimination Campaign by GRSE Medical Cell	NA	NA
v	Conducted 02 nos. Blood Donation Camps by GRSE Medical Cell	Around 150	50
vi	Health Examination (Medical Investigation) of Local Workers by GRSE Medical Cell	5,343	NA
vii	Medical Equipment to Ramakrishna Mission TB Sanatorium at Tupudana, Ranchi, Jharkhand (A Unit of Ramakrishna Mission Belur Math)	NA	100
viii	Medical Equipment to The Leprosy Mission Hospital at Purulia, West Bengal (A Unit of TLMIT)	NA	100
ix	Medical Equipment to Ramakrishna Sarada Mission Matri Bhavan Hospital, Kolkata (A Unit of Ramakrishna Sarada Mission)	NA	NA
x	Job-Oriented Medical Training (Phlebotomy – 60 trainees and General Duty Assistant – 30 trainees) to Youths in Association with Ramakrishna Math Baghbazar	90	100
xi	Project Akhansha – Holistic Development of 300 Vulnerable Children at Hastings and Khidirpore, Kolkata in Association with Child Rights & You (CRY)	300	100
xii	Daily Cleaning and Maintenance of Toilets etc. in 20 Schools for 10 months in Association with Sulabh International Social Service Organization – WB Branch	25,841	100

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
xiii	Adoption of 06 Classes & Early Intervention Clinic of Indian Institute of Cerebral Palsy, Kolkata	80	NA
xiv	Provided 14 nos. Chattu Machine and 07 nos. Weighing Machine to a Self-Help Group at Balipada, Dadha Gram Panchayat, Odisha in Association with Parichay Foundation	14	NA
xv	Job-Oriented Vocational Training (field Technician – 30, Computer Operator – 90 and Sewing Machine Operator - 30) to Youths in Association with Ramakrishna Math Baghbazar	150	100
xvi	Construction of 02 nos. Community Toilets at Malyada (Khunti) and Maheshpur (Ranchi) in Association with Ramakrishna Mission Ashrama, Morabadi, Ranchi	150	NA
xvii	Job-Oriented Vocational Training to 130 School Students in and around Garden Reach, Kolkata in Association with Tomorrow's Foundation	130	100
xviii	Provided Training Equipment to The Bill Edger Memorial Vocational Training Centre at Bankura, West Bengal (a Unit of TLMTI)	100	100
xix	Conducted Swachhata Hi Seva 2024 from 17 Sep 2024 to 02 Oct 2024	NA	NA
xx	Conducted Special Campaign 4.0 from 02 Oct 2024 to 31 Oct 2024	NA	NA
xxi	Conducted MoD Swachhata Pakhwada from 01 Dec 2024 to 15 Dec 2024	NA	NA
xxii	Undertook 12000 nos. Mangrove Saplings Plantation at Sundarbans Island and Undertaken 7000 nos. Fruit Bearing Tree Saplings Plantation/Distribution at Sandeshkhali (North 24 Parganas), Sagar Island (South 24 Parganas), Tupudana (Ranchi)	NA	NA
xxiii	Stipend paid to the apprentices engaged over and above the statutory requirement	199	NA

PRINCIPLE 9

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Defence forces have a well-established, structured and periodic meetings for raising issues. Same is being followed and complied by the Company.

2. Turnover of products and services as a percentage of turnover from all products/ service that carry information about:

	As percentage to total turnover
Environmental and social parameters relevant to the product	The main products of the Company are Warships, Vessels, Bailey Bridges, Ship Engines and other accessories for use in strategic/ national security applications. Hence, Not Applicable
Safe and responsible usage	100%
Recycling and/or safe disposal	The main products of the Company are Warships, Vessels, Bailey Bridges, Ship Engines and other accessories for use in strategic/ national security applications. Once the products are sold they do not come back to the company.

3. Number of consumer complaints in respect of the following:

	2024-25		Remarks	2023-24		Remarks
	Received during the year	Pending resolution at the end of year		Received during the year	Pending resolution at end of year	
Data Privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-Security	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	Nil	Nil	NA	Nil	Nil	NA
Restrictive Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Unfair Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Other	Nil	Nil	NA	Nil	Nil	NA

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The policy is confidential in nature and hence not hosted in the public domain.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

The Company did not receive any significant complaint in the last financial year that may require any corrective action.

7. Provide the following information relating to data breaches:

- a) Number of instances of data breaches - NIL
- b) Percentage of data breaches involving personally identifiable information of customers - NA
- c) Impact, if any, of the data breaches - NA

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information on products and services of GRSE can be accessed from its website at www.grse.in.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Operational Manual and Training on equipment / systems are provided to customers as per contractual requirements.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The main product of the Company is Ship, mainly for use by Indian Armed Forces. The company is committed to provide support whenever such services are required by the customer.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Not Applicable. The products of the Company are such that do not require any standard information to display/stenciled.

INDEPENDENT AUDITOR’S REPORT

To the members of Garden Reach Shipbuilders & Engineers Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Garden Reach Shipbuilders & Engineers Limited** (“the Company”), which comprise the balance sheet as at March 31, 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the “financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view, in conformity with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 Responsibilities for the Audit of the 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter:

We draw attention to note 48 of the financial statements, which describes the effects of change in estimation of cost to complete in respect of projects P17A and NGOPV. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters that we have identified in the current year are as follows:

Key Audit Matter	How the matter was addressed in our audit
<p>1. Recognition of revenue from ship building contracts</p> <p>Company’s revenue is mainly derived from ship building. Revenue on such contracts is recognised over time as performance obligations are fulfilled over time. The Company recognizes revenue from a performance obligation in accordance of Ind AS 115 only when it can reasonably measure its progress towards complete satisfaction of the obligation. Progress with respect to ship construction is recognized using input method i.e. by comparing the actual costs anticipated for the entire contract. As disclosed in Note 20 to the financial statements, during the year, the Company has earned ₹ 4,44,852.57 lakh (₹3,06,918.46 lakh) from ship building out of total revenue from operations of ₹ 5,07,568.77lakh (₹ 3,59,264.23 lakh) during the year.</p> <p>This area was important to our audit due to the fact that significant estimates are involved in determination of stage of completion and measurement of progress towards satisfaction of performance obligations and estimating costs to complete of each contract.</p>	<p>We obtained an understanding of the Company’s controls over the revenue and cost recognition process to assess the design of the key controls in place. Our substantive audit procedures included</p> <ul style="list-style-type: none">• Review of the contracts and service orders to evaluate management’s assessment of performance obligations in accordance with Ind AS 115;• Obtaining cost estimation schedules approved by project teams and verifying the costs to complete by agreeing to evidence of committed expenditure, budgeted rates and actual costs incurred to date;• Review of correspondences to corroborate management’s assessment of liquidated damages payable that may arise as per terms of contract due to probable delivery time overrun.

Key Audit Matter	How the matter was addressed in our audit
<p>2. Inventories</p> <p>As at the year end the Company carries inventory valued ₹ 3,55,224.67 lakh (₹ 3,98,444.14 lakh) refer Note 9 to financial statements. The above includes raw materials and equipment valued at ₹ 3,41,744.45 lakh (₹ 3,86,725.80 lakh) which are mostly project specific. The Company maintains detailed item wise record of these inventories and the same are classified project wise for management and control of inventories. The Company carries out regular physical verification of inventories, including technical evaluation of the condition and usability of the such items and makes necessary provision in the books for unusable/ obsolete items identified if any. The basis of valuation of inventories is set out in Note 1.2(h) to the financial statements.</p> <p>We have considered inventory management as a key audit matter since inventory constitutes a significant part of the assets of the Company. Moreover, timely recognition of procurement, issue, consumption, accounting of inventory, identification of unusable, obsolete items by way of technical evaluation and physical verifications have major impact on the profitability of the Company.</p>	<p>Our audit procedures of inventory included but were not limited to the following:</p> <ul style="list-style-type: none"> Understanding the basis followed for recognition of purchase and issue of materials and ensuring that the same are in accordance with normally followed accounting principles. Review of item wise/ contract wise record of inventories. Review of reports on physical verification/ technical evaluation of inventories carried out by the management and ensuring adequacy of year end provision for slow-moving / non-moving / obsolete items identified based on the same. <p>We critically assessed the Company's inventory provisioning policy, with specific consideration given to aged inventory and their movement status;</p> <p>We have verified the value of few sample of inventory items to confirm whether they are held at the lower of cost and net realisable value in accordance to Ind AS 2.</p>

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information contained in Directors' Report including Annual Report on CSR Activities, Management Discussion & Analysis Report, Report on Corporate Governance, Business Responsibility & Sustainability Report and other information contained in the Annual Report, but does not include the financial statements and our report thereon. These reports are expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates

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

In preparing the financial statements, management is 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 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 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 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 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 auditor's 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 financial statements, including the disclosures, and whether the 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "A"** to this report a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. In compliance to directions of the Comptroller and Auditor General of India u/s.143(5) of the Act, we give in **Annexure "B"** to this report a statement on the matters specified therein.

3. As required by Section 143(3) of the Act, we report that:

- (a) 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.
- (b) 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.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, and the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except disclosure under Ind AS 108 Operating Segments. Ministry of Corporate Affairs vide notification S.O No 802(E) dated 23rd February 2018 has exempted the companies engaged in defence production from application of Segment Reporting and hence no such disclosure is made by the Company.
- (e) Section 164(2) of the Act regarding disqualification of directors is not applicable to the Company by virtue of Notification No. G.S.R. 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Government of India.
- (f) The provisions of Section 197(16) of the Act regarding payment of managerial remuneration to Company's directors are not applicable in view of Notification No. GSR 463(E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report given in **Annexure "C"** to this report.
- (h) 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has pending litigations, the liabilities in respect of which are either provided for or disclosed as contingent liabilities – Refer Note 29 to the financial statements. The impact of these pending litigations on the financial position of the Company is subject to their judicial outcome;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses except Guarantee Repair and Onerous Contract in respect of which the Company holds adequate provision – Refer Note 19 to the financial statements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

- iv.(a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on such audit procedures as we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that representations made by the management in this regard contain any material mis-statement.
- v. The dividend declared and paid during the year by the Company is in compliance of with section 123 of the Companies Act, 2013.
- vi. Based on our examination which included test checks, the Company has in place an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail is preserved by the Company as per the statutory requirements for record retention.

For Guha Nandi & Co.
Chartered Accountants
FRN: 302039E

Sd/-
(CA Dipak Kumar Shee)
Partner
Membership No.061728
UDIN: 25061728BMOMXR4525

Place: Kolkata
Date: 13 May, 2025

ANNEXURE - A

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 OF GARDEN REACH SHIP BUILDERS & ENGINEERS LIMITED

(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

- i. In respect of the Company's Property, Plant and Equipment:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
 - (B) The Company has maintained proper records showing full particulars of intangible assets;
 - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Accordingly, Property, Plant and Equipment of some division/ unit of the Company were verified internally by management during the year. Discrepancies noticed on such verification, which are not material, have been properly dealt with in the accounts. In our opinion, the periodicity of such physical verification is reasonable having regard to the size of the Company and nature of its assets;
 - (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company or the properties where the Company is the perpetual user free of cost), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date;
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year;
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) The inventories (other than those lying with third parties), have been physically verified during the year by the management. The procedure followed for such verification, in our opinion, is appropriate. The discrepancies between physical stock and book records arising out of physical verification, have been properly dealt with in the books of account. However, there were no discrepancies of 10% or more in the aggregate for each class of inventory;
 - (b) During the year, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. The Company has the sanction of ₹ 22,700 lakh for fund-based facilities and ₹ 8,56,600 lakh for non-fund based facilities. The quarterly returns of stocks and book debts filed by the Company with the banks are in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in companies, firms, Limited Liability Partnerships or any other parties other than the investment in equity shares and mutual funds as disclosed in Note 6(a) & 10(a) to the financial statements. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, or stood guarantee, or provide security to companies, firms, Limited Liability Partnerships or any other parties. The Investments made by the Company in mutual funds, and equity shares are not prejudicial to the interest of the Company. Other matters of the clause are not applicable to the Company.
- iv. The Company has not given any loan, guarantee or provided any securities where provisions of section 185 and 186 of the Companies Act, 2013 are applicable. Further, in terms of Notification No. G.S.R. 463(E) dated June 5, 2015, the provisions of section 185 are not applicable to a Government company if the loans or advance in the loan are pre-approved by the Government; and section 186 of the Companies Act, 2013 are not applicable to the Government companies engaged in defence production.
- v. According to the information and explanations given to us the Company has not accepted any deposits or accepted any amount which are deemed to be deposits during the year to which directives of Reserve Bank of India or provisions of section 73 to 76 or any other relevant provision of the Companies Act, 2013 and the rules made thereunder are applicable.
- vi. According to the information and explanations given to us, maintenance of cost records by the Company has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of construction of ships, manufacturing of engineering goods and diesel engines. We have broadly reviewed such cost records and are of the opinion that, prima facie, prescribed accounts and records have been made and maintained.
- vii.
 - (a) According to information and explanations given to us, and on the basis of our examination of books and accounts, the Company has been generally regular in depositing undisputed statutory dues including provident fund, ESI, income tax, goods and services tax, duty of customs, duty of excise, cess and any other statutory dues with the appropriate authorities. There is no undisputed amount payable in respect of aforesaid dues as on March 31, 2025 for a period of more than six months from the date they become payable.
 - (b) According to the records of the Company and information and explanations given to us, the following are the details of disputed statutory dues not deposited on March 31, 2025:

Sl. No.	Name of the Statute	Nature of dues	Year to which pertains	Amount (₹ in Lakh)	Forum where the dispute is pending
1	West Bengal Value Added Tax Act, 2003	Value Added Tax	2007-08	506.83	West Bengal Taxation Tribunal
2	Income Tax Act, 1961	Income Tax	2008-09	1624.58	Commissioner of Income Tax (Appeals)
3	Income Tax Act, 1961	Income Tax	2016-17	8.61	Commissioner of Income Tax (Appeals)
4	Goods & Services Tax, 2017	Goods & Services Tax	2017-18	103.85	Addl. Commissioner, State Tax (Appeals)
Total				2243.87	

The amounts mentioned above are exclusive of interest and penalties that may be payable on final settlement of pending cases.

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has working capital limits sanctioned by banks (Both Funded & Non-Funded facilities). The Company has availed short term borrowings from the bank. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon;
- (b) The Company has not been declared willful defaulter by any bank or financial institution or other lender;
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence application of term-loan other than the purpose for which the loans were obtained does not arise;
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis, prima facie, have not been utilized for long-term purposes by the Company during the year;
- (e) The Company does not have any subsidiary, joint venture or associate companies and hence taking any funds from any or person on account of them or meet their obligations or raising any loan on the pledge of securities held by them does not arise. As such, clauses 3(ix)(e) & (f) of the Order are not applicable to the Company.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence clause 3(x)(b) of the Order is not applicable to the Company.
- xi. To the best of our knowledge and according to the information and explanations given to us-
- (a) No fraud by the Company or on the Company has been noticed or reported during the year;
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year;
- (c) No whistle blower complaints have been received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and hence clauses 3(xii)(a), (b) & (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) The Company has an internal audit system commensurate with the size and the nature of its business;
- (b) We have duly considered the internal audit reports for the year under audit received by the Company during the year in determining the nature and extent of our audit.
- xv. According to the information and explanations given to us and based on our examination of records, the Company has not entered into non-cash transactions with directors or persons connected with them and as such clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934;
- (b) The Company has not conducted any Non-banking Financial or Housing Finance activities as per Reserve Bank of India Act, 1934 during the year;
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India;
- (d) The Company does not belong to any Group having more than one CIC as part of the Group.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans

and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our report is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will be discharged by the Company as and when they fall due.

- xx. (a) In respect of other than ongoing projects, the Company has no unspent funds towards Corporate Social Responsibility (CSR) required to be transferred to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act;

- (b) The Company does not have any ongoing projects on CSR and hence there is no amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

For Guha Nandi & Co.
Chartered Accountants
FRN: 302039E

Sd/-
(CA Dipak Kumar Shee)
Partner
Membership No.061728
UDIN: 25061728BMOMXR4525

Place: Kolkata
Date: 13 May, 2025

ANNEXURE “B”

ANNEXURE TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 OF GARDEN REACH SHIP BUILDERS & ENGINEERS LIMITED

(Referred to in paragraph 2 under the heading of “Report on Other Legal and Regulatory Requirements” of our Report of even date)

Report on the directions under section 143(5) of the Companies Act, 2013 by the Comptroller & Auditor General of India

According to the information and explanations given to us by the management and on the basis of our examination of books and records of the Company, we report that:

Sl. No.	Query	Reply
1.	Whether the company has system in place to process all the accounting transaction through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has SAP system in place to process all the accounting transactions through IT system. As there is no processing of accounting transactions outside IT system, comment on the integrity of the accounts and financial implications of accounting transactions processed outside IT system does not arise.
2.	Whether there is any restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc. made by a lender to the Company due to the Company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (in case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company)	There is no instance of restructuring of an existing loan and cases of waiver/written off of debts/loans/interest etc. made by any lender to the Company due to the Company’s inability to repay the loan. Therefore, the financial impact due to above reasons does not arise.
3.	Whether funds (grants / subsidy etc.) received / receivable for specific schemes from Central / State Governments and its agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.	During the year no fund (grants / subsidy or assistance) has been received by the Company from the Central or any State Government or any Government agencies for any scheme and hence accounting of receipt of fund and utilization thereof as per terms and conditions does not arise.

For Guha Nandi & Co.
Chartered Accountants
FRN: 302039E

Sd/-
(CA Dipak Kumar Shee)
Partner
Membership No.061728
UDIN: 25061728BMOMXR4525

Place: Kolkata
Date: 13 May, 2025

ANNEXURE “C”

ANNEXURE TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 OF GARDEN REACH SHIP BUILDERS & ENGINEERS LIMITED

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

We have audited the internal financial controls over financial reporting of **GARDEN REACH SHIP BUILDERS & ENGINEERS LIMITED** (“the Company”) as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, both issued by ICAI, 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Opinion

In our opinion, 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Guha Nandi & Co.

Chartered Accountants

FRN: 302039E

Sd/-

(CA Dipak Kumar Shee)

Partner

Membership No.061728

UDIN: 25061728BMOMXR4525

Place: Kolkata

Date: 13 May, 2025

COMMENTS OF C&AG

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF GARDEN REACH SHIPBUILDERS & ENGINEERS LIMITED, KOLKATA FOR THE YEAR ENDED 31 MARCH 2025.

The preparation of financial statements of **Garden Reach Shipbuilders & Engineers Limited, Kolkata** for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 13 May 2025.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Garden Reach Shipbuilders & Engineers Limited, Kolkata** for the year ended 31 March 2025 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Rajesh Ranjan
(Rajesh Ranjan)

Principal Director of Audit (Defence-Commercial)

Bangalore

Date: 09 July 2025.

BALANCE SHEET

As at 31 March, 2025

(₹ in Lakh)

Particulars	Note No.	As at 31 March, 2025	As at 31 March, 2024
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3		
(i) Property, plant and equipment-other than RoU		49,026.13	47,516.22
(ii) Right-of-use-assets (RoU)		918.97	981.72
(b) Capital work-in-progress	4	2,122.93	1,161.86
(c) Intangible assets	5	1,571.03	758.72
(d) Intangible assets under development	4(a)	676.91	1,314.39
(e) Financial assets			
(i) Investments	6(a)	0.44	0.44
(ii) Other financial assets	6(b)	9,427.33	9,016.45
(f) Non-current tax assets	7	19,237.08	19,842.75
(g) Other non-current assets	8	23.43	20.16
Total non-current assets		83,004.25	80,612.71
(2) Current assets			
(a) Inventories	9	3,55,224.67	3,98,444.14
(b) Financial assets			
(i) Trade receivables	10(a)	25,945.77	19,420.70
(ii) Cash and cash equivalents	10(b)	388.27	527.00
(iii) Bank balances other than (ii) above	10(c)	3,72,797.13	3,71,506.84
(iv) Other financial assets	10(d)	20,491.43	22,234.79
(c) Other current assets	11	1,77,566.62	1,32,428.74
Assets classified as held for sale	12	5.05	15.99
Total current assets		9,52,418.94	9,44,578.20
TOTAL ASSETS		10,35,423.19	10,25,190.91
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13(a)	11,455.20	11,455.20
(b) Other equity	13(b)	1,96,471.04	1,55,888.69
Total equity		2,07,926.24	1,67,343.89
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities		762.08	828.84
(ii) Trade payables	14		
(A) total outstanding dues of micro enterprises and small enterprises		-	-
(B) total outstanding dues other than micro enterprises and small enterprises		771.19	783.56
(b) Provisions	15	9,409.56	9,201.35
(c) Deferred tax liabilities (net)	16	1,629.36	1,398.39
Total non-current liabilities		12,572.19	12,212.14
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17(a)	-	5,558.48
(ia) Lease liabilities		204.80	179.74
(ii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	17(b)	367.61	50.32
(B) total outstanding dues other than micro enterprises and small enterprises	17(b)	1,14,773.18	99,191.69
(iii) Other financial liabilities	17(c)	3,572.74	3,546.52
(b) Other current liabilities	18	6,90,583.00	7,33,304.21
(c) Provisions	19	5,423.43	3,803.92
Total current liabilities		8,14,924.76	8,45,634.88
TOTAL EQUITY AND LIABILITIES		10,35,423.19	10,25,190.91
MATERIAL ACCOUNTING POLICY INFORMATION			
Company information and Material Accounting Policy Information	1		
Critical estimates and judgements	2		

The accompanying notes 1 to 53 form an integral part of the financial statements.

In terms of our report of even date.

For Guha Nandi & Co.
Chartered Accountants
Firm's Registration No - 302039E

Sd/-
(CA Dipak Kumar Shee)
Partner
Membership No. 061728

Place of Signature: Kolkata
Date : 13th day of May, 2025

For and on behalf of the Board of Directors

Sd/-
Cmde P R Hari, IN (Retd.)
Chairman & Managing Director
DIN - 08591411

Sd/-
R.K Dash
Director (Finance) & CFO
DIN - 08511344

Sd/-
S. Mahapatra
Company Secretary
ACS 10992

STATEMENT OF PROFIT AND LOSS

For the year ended 31 March, 2025

(₹ in Lakh)

Particulars	Note No.	Year ended 31 March, 2025	Year ended 31 March, 2024
Revenue from operations	20	5,07,568.77	3,59,264.23
Other income	21	33,483.75	29,962.19
Total income		5,41,052.52	3,89,226.42
EXPENSES			
Cost of materials consumed	22(a)	3,32,470.33	2,06,036.78
Purchase of products for resale (B & D spares)		27,123.16	19,706.56
Changes in inventories of work-in-progress and scrap	22(b)	(6,054.30)	(605.55)
Sub-contracting charges		48,356.74	52,493.24
Employee benefits expense	23	36,084.66	34,893.33
Finance costs	24	1,032.28	1,148.92
Depreciation and amortisation expense	25	4,249.23	4,132.66
Other expenses - project related	26	14,818.47	9,904.02
Other expenses	27	12,642.98	13,424.37
Total expenses		4,70,723.55	3,41,134.33
Profit before tax		70,328.97	48,092.09
Tax expense	28(a)		
- Current tax		17,271.48	12,455.75
- Deferred tax		317.11	(90.43)
Total tax expense		17,588.59	12,365.32
Profit for the year		52,740.38	35,726.77
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
- Remeasurements of defined benefit plans		(342.22)	146.67
- Income tax relating to above item		86.14	(36.92)
Other comprehensive income for the year, net of tax		(256.08)	109.75
Total comprehensive income for the year		52,484.30	35,836.52
Earnings per equity share:			
(Nominal value per share ₹ 10)			
Basic and diluted earnings per share (₹)		46.04	31.19
Company information and Material Accounting Policy Information	1		
Critical estimates and judgements	2		

The accompanying notes 1 to 53 form an integral part of the financial statements.

In terms of our report of even date.

For Guha Nandi & Co.
Chartered Accountants
Firm's Registration No - 302039E

Sd/-
(CA Dipak Kumar Shee)
Partner
Membership No. 061728

Place of Signature: Kolkata
Date : 13th day of May, 2025

For and on behalf of the Board of Directors

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R.K Dash
Director (Finance) & CFO
DIN - 08511344

Sd/-
S. Mahapatra
Company Secretary
ACS 10992

CASH FLOW STATEMENT

For the year ended 31 March, 2025

(₹ in Lakh)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
A. Cash flow from operating activities:		
Profit before taxation	70,328.97	48,092.09
Adjustments for :		
Interest income	(24,973.68)	(27,135.47)
Unrealised Fair Value gain (Net)	(137.63)	(572.70)
Actuarial Gain/ Loss on remeasurements of defined benefit plan	(256.08)	109.75
Depreciation & amortisation expense	4,249.23	4,132.66
Retirement /Write off of Assets -Net	(126.62)	306.43
Finance costs	1,032.28	1,148.92
Unrealised loss/ (gain) on foreign exchange fluctuation	(772.36)	259.71
Liabilities no longer required written back	(3,268.79)	(675.67)
Operating profit before working capital changes	46,075.32	25,665.72
Adjustments for changes in working capital :		
(Increase)/Decrease in Trade and other receivables	(6,525.07)	(14,081.10)
(Increase)/Decrease in Other financial assets (Current & Non Current)	1,332.48	1,215.74
(Increase)/Decrease in Other non-current assets	602.40	737.78
(Increase)/Decrease in Other current assets	(45,137.88)	87,641.43
(Increase)/Decrease in Assets held for sale (current assets)	10.94	(8.09)
(Increase)/Decrease in Inventories	43,219.47	(1,06,593.65)
Increase/(Decrease) in Trade payables	16,875.45	(18,035.96)
Increase/(Decrease) in Provisions	5,096.51	1,867.83
Increase/(Decrease) in Other financial liabilities (Current & Non Current)	(94.53)	482.29
Increase/(Decrease) in Other current liabilities	(42,538.73)	(37,162.50)
Increase/(Decrease) in Other non- current liabilities (Deferred Tax Liability)	230.97	(53.51)
	(26,927.99)	(83,989.74)
Cash generated from/ (used in) operations	19,147.33	(58,324.02)
Taxes paid (net of refunds)	(17,588.59)	(12,365.32)
Net cash from/(used in) operating activities	1,558.74	(70,689.34)
B. Cash flow from investing activities		
Purchase of Property, plant and equipment, intangibles and capital work in progress	(6,705.67)	(4,806.91)
Investments in Mutual Fund (Net)	-	23,366.40
Investments in Fixed Deposit (Net)	(1,290.29)	59,875.23
Interest received	24,973.68	16,977.72
	16,977.72	27,135.47
Net cash from/(used in) investing activities	16,977.72	1,05,570.19

(₹ in Lakh)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
C. Cash flow from financing activities:		
Interest	(1,070.92)	(1,062.24)
Principal Component of Lease Rent	(182.48)	(170.40)
Interest component of Lease Rent	(79.84)	(85.41)
Borrowing (Bank OD)	(5,440.00)	(24,559.97)
Dividend paid	(1649.55)	(801.86)
Interim Dividend	(10252.40)	(9072.52)
Net cash from/(used in) financing activities	(18,675.19)	(35,752.40)
Net Increase/(Decrease) in Cash and cash equivalents	(138.73)	(871.55)
Opening Cash and cash equivalents at the beginning of the year	527.00	1,398.55
Closing Cash and cash equivalents at the end of the year	388.27	527.00

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard - 7 on Cash Flow Statement as notified under the Companies (Indian Accounting Standards) Rules, 2015.
- Cash and cash equivalents do not include any amount which is not available to the Company for its use.
- Cash and cash equivalents as at the Balance sheet date consists of :

(₹ in Lakh)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Balances with banks :		
Current accounts	388.27	526.99
Cash in hand	-	0.01
Cash and cash equivalents	388.27	527.00

- The figure in brackets represent cash outflow from respective activities.

The accompanying notes 1 to 53 form an integral part of the financial statements.

In terms of our report of even date.

For Guha Nandi & Co.
Chartered Accountants
Firm's Registration No - 302039E

Sd/-
(CA Dipak Kumar Shee)
Partner
Membership No. 061728

Place of Signature: Kolkata
Date : 13th day of May, 2025

For and on behalf of the Board of Directors

Sd/-
Cmde P R Hari, IN (Retd.)
Chairman & Managing Director
DIN - 08591411

Sd/-
R.K Dash
Director (Finance) & CFO
DIN - 08511344

Sd/-
S. Mahapatra
Company Secretary
ACS 10992

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March, 2025

A. Equity share capital

(₹ in Lakh)

Balance as at 1 April, 2024	Changes in equity share capital due to prior period errors	Restated balance as at 1 April, 2024	Changes in equity share capital during the year	Balance as at 31 March, 2025
11,455.20	-	11,455.20	-	11,455.20
Balance as at 1 April, 2023	Changes in equity share capital due to prior period errors	Restated balance as at 1 April, 2023	Changes in equity share capital during the year	Balance as at 31 March, 2024
11,455.20	-	11,455.20	-	11,455.20

B. Other equity

(₹ in Lakh)

Particulars	Reserve and surplus			Other Comprehensive Income	Total
	Capital Redemption Reserve	General reserve	Retained earnings		
Balance as at 1 April, 2024	928.80	6,064.86	1,49,308.61	(413.58)	1,55,888.69
Profit for the year (a)	-	-	52,740.38	-	52,740.38
Other comprehensive income for the year (b)	-	-	-	(256.08)	(256.08)
Total comprehensive income for the year (a + b)	-	-	52,740.38	(256.08)	52,484.30
Dividend paid [Refer Note 13 (b)]	-	-	(1,649.55)	-	(1,649.55)
Interim dividend paid [Refer Note 13 (b)]	-	-	(10,252.40)	-	(10,252.40)
Balance as at 31 March, 2025	928.80	6,064.86	1,90,147.04	(669.66)	1,96,471.04

(₹ in Lakh)

Particulars	Reserve and surplus			Other Comprehensive Income	Total
	Capital Redemption Reserve	General reserve	Retained earnings		
Balance as at 1 April, 2023	928.80	6,064.86	1,23,456.22	(523.33)	1,29,926.55
Profit for the year (a)	-	-	35,726.77	-	35,726.77
Other comprehensive income for the year (b)	-	-	-	109.75	109.75
Total comprehensive income for the year (a + b)	-	-	35,726.77	109.75	35,836.52
Dividend paid [Refer Note 13 (b)]	-	-	(801.86)	-	(801.86)
Interim dividend paid [Refer Note 13 (b)]	-	-	(9,072.52)	-	(9,072.52)
Balance as at 31 March, 2024	928.80	6,064.86	1,49,308.61	(413.58)	1,55,888.69

The accompanying notes 1 to 53 form an integral part of the financial statements.

In terms of our report of even date.

For Guha Nandi & Co.
Chartered Accountants
Firm's Registration No - 302039E

Sd/-
(CA Dipak Kumar Shee)
Partner
Membership No. 061728

Place of Signature: Kolkata
Date : 13th day of May, 2025

For and on behalf of the Board of Directors

Sd/-
Cmde P R Hari, IN (Retd.)
Chairman & Managing Director
DIN - 08591411

Sd/-
R.K Dash
Director (Finance) & CFO
DIN - 08511344

Sd/-
S. Mahapatra
Company Secretary
ACS 10992

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 1: Company information and Material Accounting Policy Information

Note 1.1: Company information

Garden Reach Shipbuilders & Engineers Limited ('GRSE Ltd.' or 'the Company') was incorporated on 26th February, 1934. The Company is domiciled in India having its registered office at GRSE Bhavan, 61, Garden Reach Road, Kolkata-700024 and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is mainly engaged in the construction of warships.

Note 1.2: Material Accounting Policy Information

(a) Basis of preparation

(i) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the followings:

- certain financial assets and liabilities that are measured at fair value;
- assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- defined benefit plans - plan assets measured at fair value.

(iii) Current versus Non-current classification

The assets and liabilities in the Balance Sheet are based on current/non-current classification.

The classification of assets and liabilities, wherever applicable, are based on normal operating cycles of different business activities of the Company, which are as under:

- In case of Shipbuilding and Ship repair and Refit activities, normal operating cycle is considered vessel wise, as the time period from the effective date of contract to the date of expiry of guarantee period.
- In case of other business activities, normal operating cycle is 12 months.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,

- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non - current.

A liability is classified as current when it is:

- Expected to be settled in normal operating cycle,
- Held primarily for the purpose of trading,
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are treated as non – current liabilities.

Deferred tax assets and liabilities are classified as non - current assets and liabilities.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

(v) Functional and Presentation Currency

The Financial Statements are presented in Indian rupees which is the functional currency for the Company.

(b) Property, Plant and Equipment

- Property, Plant and Equipment are shown at cost, less accumulated depreciation and impairment, if any.
 - Cost of Property, Plant and Equipment, not ready for their intended use as at each Balance Sheet date is disclosed as Capital Work in Progress. It comprises of supply cum erection contract, value of capital supplies received at site and accepted, capital goods in transit and under inspection and the cost of Property, Plant and Equipment that are yet to be ready for their intended use.
 - Cost means purchase price considered as cash price after deducting trade discount, rebates and adding duties, non-refundable taxes and costs directly attributable to make the asset available for intended use, other cost for replacing part of plant & equipment and borrowed cost for long term project, if the recognition criteria are met.
 - When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria

are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

- (iv) Where cost of the parts of a Property, Plant and Equipment are significant and have different useful lives, they are treated as separate component and depreciated over their estimated useful lives.
- (v) Addition to Assets individually costing ₹ 5000/- or less are depreciated at 100% in the year when available for use.
- (vi) Spares purchased along with main asset are depreciated over the estimated useful life of that asset.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as at 1 April, 2015 measured as per the previous GAAP (Indian GAAP) and use that carrying value as the deemed cost of the Property, Plant and Equipment.

- II. Retirement & De-recognition: Carrying amount of parts of Property Plant and Equipment is derecognized on disposal or when no future economic benefit is expected from its use or disposal. Any Gain /loss arising from de recognition/ disposal/retirement of an item is recognized in Statement of Profit & Loss of that reporting period

III. Jointly Funded Assets

Plant and equipment acquired with financial assistance from outside agencies either wholly or partially are capitalised at gross value.

On transition to Ind AS, the Company has opted for exemption under Ind AS 101. Therefore, the Plant and equipment which were capitalised, net of cost to the Company have been carried forward to their net value. Any addition made of such assets from 1 April, 2015 are disclosed at gross value and are amortised over the useful life of the respective item of Property, Plant and Equipment.

IV. Depreciation methods, estimated useful lives and residual values

Depreciation is provided, under the Straight Line Method, pro rata to the period of use, based on useful life specified in Schedule II to the Companies Act, 2013 except the following items, where useful life estimated on technical assessment, past trends and expected useful life differ from those provided in Schedule II to the Companies Act, 2013:

Asset Class	Description	Years
Plant & equipment	Goliath Crane (250 Ton Capacity)	25
Plant & equipment	Hand power tools like grinders, chippers, drilling machines;	08
	Fastening tools like bottle screws, clamps & slings, hoist/chain-pulley blocks, hooks, shackles, Measuring and testing devices	

Asset Class	Description	Years
Plant & equipment	Miscellaneous tools/tackles and accessories thereof; Welding Torches, Gas Torches, Portable Electrode Ovens, Masks & helmets; Small instruments, measurements /control devices	05
Furniture & fixture	All electronic /electrical gadgets like refrigerator, MW/ other ovens, TV sets/entertainment systems/ Geyser/Water heater, Water purifiers & coolers, Air coolers, Electronic Medical gadgets/instruments, Canteen gadgets/utilities, Communication equipment	05

- i. In respect of additions/extensions forming an integral part of the existing assets, depreciation is provided over residual life of the respective asset. Significant additions which are required for replacement/ performed at regular interval are depreciated over the useful life of the respective item of Property, Plant and Equipment.
- ii. Depreciation on Property, Plant and Equipment
 - a) Depreciation on the asset commences when asset is available for use. It ceases at the earlier of the date that the asset is classified as held for sale and the date of de-recognition of the asset. Depreciation is recognized to write off the cost of asset (other than free hold land and properties under construction) less their residual values over their respective useful life.
 - b) The residual value is considered at the rate of 5% of the original cost of the respective assets except computers & IT peripherals.
 - c) Computer & peripherals (excluding servers & network equipment) are fully depreciated over their useful life.
- iii. The estimated useful life, residual value and depreciation method are reviewed at the end of each reporting period with the effect of any changes in estimate accounted for on a prospective basis.
- iv. In respect of assets whose useful life has been revised, the unamortized depreciable amount has been charged over the revised remaining useful life of the assets.
- v. Air Conditioners have been classified under the head furniture & fixtures and useful life is considered as applicable to furniture & fixtures under Schedule II to Companies Act, 2013.
- vi. Depreciation on second hand tangible assets is charged on straight line method to write off 95% of the cost over the estimated useful lives of such asset based on the internal technical assessment and evaluation.

(c) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets, which are specifically exempt from this requirement.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

(d) Borrowing Costs

Borrowing costs (net of income earned on temporary deployment of funds) that are directly attributable to acquisition, construction or production of a qualifying asset are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

(e) Impairment of Assets

Cash generating units as defined in Ind AS 36 on Impairment of Assets are identified by technical evaluation. At the date of balance sheet, if there are indications of impairment and the carrying amount of the cash generating unit exceeds its recoverable amount (i.e. the higher of the fair value less costs of disposal and value in use), an impairment loss is recognized. The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss.

The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

(f) Intangible Assets

Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any. Amortization is done over their estimated useful life on straight line basis from the date they are available for intended use, subject to impairment test. Software, which is not an integral part of the related hardware is classified as an intangible asset and is amortized over the useful life of 5 years. Licence fee for specific period is amortised on straight line basis over the said period.

Individual items of intangible assets valuing ₹ 5,000 or less are fully amortized in the year of acquisition or available for use.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April, 2015 measured as per the previous GAAP (Indian

GAAP) and use that carrying value as the deemed cost of the intangible assets.

(g) Research and Development

Capital expenditure on research and development is included in intangible assets and revenue expenditure on research and development is charged as expenditure in the year in which it is incurred.

(h) Inventories

Inventory valuation is as per provisions of Ind AS 2. The cost is determined as under:

- i. Raw materials, components, stores and spares: At weighted average cost.
- ii. In-plant items: At standard cost.
- iii. Equipment for specific projects, Stores in transit, materials and other supplies: At cost.
- iv. Obsolete, slow-moving and defective inventories are identified at the time of physical verification and provisions are made for such inventories wherever necessary.
 - (a) Project specific stores not moving for 4 years and more from the date of delivery of a vessel are valued at 50% of cost.
 - (b) Obsolescence is provided to the items for which shelf life is expired, non-moving stores (other than project specific) for 4 years and more and which may not be required for further use.
- v. All items of jobs in progress (including material held by contractors) other than the Construction and Ship Repair Contracts: At cost.
- vi. Scrap: At estimated net realisable value.
- vii. Inter-unit transfer items: At cost.

Note:

- a) The cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.
- b) In-plant items are valued at standard cost for convenience taking into account normal level of activity and are regularly reviewed.

(i) Revenue Recognition

Keeping in view of applicable Ind AS 115, revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from Contracts is recognised when (or as) the entity satisfies a performance obligation by transferring a promised goods or service (i.e., an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Company considers whether there are other promises in the contract that are separate performance obligations. For each performance obligation identified in the contract, the

Company determines at the inception of the contract whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If the Company does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time.

Revenue from Operations

(A) Revenue from Ship Construction, Ship Repair and Other Construction Contracts :

- (i) The Company transfers control of a goods or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met -
 - (a) the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
 - (b) the Company's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
 - (c) The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.
 - (d) Ship Building Financial Assistance is recognised over a period of time in respect of contracts which are eligible under SBFA policy when the management can reliably measure the probable receipt of the same.

The Company recognises revenue for a performance obligation satisfied over time only if the entity can reasonably measure its progress towards complete satisfaction of the performance obligation.

Methods for Measuring Progress:

- Based on the nature of the goods, progress w.r.t Ship Construction is recognized over time using Input Method i.e. by comparing the actual costs incurred to the total costs anticipated for the entire contract. These estimates are revised periodically.
- For ship repair contracts having defined performance obligation, revenue is recognized over time using Input Method i.e. by comparing the actual costs incurred to the total costs anticipated for the entire contract.
- For Ship repair contracts involving continuous maintenance support, revenue is recognised by using Output Method to measure its progress based on time elapsed upto reporting date as the same is representative of the satisfaction of performance obligation subject to entitlement of consideration in exchange of goods and/or services.

(ii) Revenue from supply of B&D Spares is recognised based on satisfaction of performance obligation at point in time on proof of receipt of goods from Naval Stores.

(iii) Revenue Recognition for Modification Jobs: In case of modification jobs, revenue against completed Modification jobs is recognised on the basis of Work Done Certificate issued by appropriate authority and for which Modification Cost for Approval is submitted to the customer, duly recommended by onsite representative of customer.

- (B) Revenue from contracts for construction of diesel engine, overhauling of diesel engine, and Helo -Traversing System (a product of deck machinery) which involves designing, engineering or constructing specifically designed products and service contracts, is recognized over time using input method. While other provisions attracting point over time, the same is recognised on the basis as stated in (A) (i) supra.
- (C) Revenue from Bailey Bridge Contracts is satisfied at point in time, as it does not meet the over-time criteria. Every set of bridge supplied is a distinct good and a separate performance obligation. Thus, the Company recognizes revenue (including transportation) when the control is transferred, that is when an entire set of bridge is delivered to customer.

For Bailey Bridge Contracts having multiple performance obligation such as the sale of Bailey Bridge, installation service and construction of approach roads, free maintenance service, project management service, etc., the Company recognises revenue of performance obligation related to sale of Bailey Bridge when the control of Bailey Bridge is transferred. However, for other performance obligations in the contract, revenue is recognised over time using input method. While other provisions attracting point over time, the same is recognised on the basis as stated in (A) (i) supra.

- (D) Revenue from sale of Deck Machinery (except Helo-Traversing System) is in substance similar to delivery of goods which is recognised when control over the assets that is subject of the contract is transferred to the customer considering performance obligations being satisfied at a point in time.
- (E) Other operational revenue represents income earned from activities incidental to the business which is recognised when a right to receive the income is established when performance obligation is satisfied as per terms of contract.
- (F) When either party to a contract has performed, the Company presents the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the Company's performance and the customer's payment.

Contract Assets: When the contract revenue recognized by the company by satisfaction of performance obligation, exceeds the performance obligation satisfied by the customer by way of payment of consideration, is presented as a Contract Assets.

Contract Liabilities: When the performance obligation is satisfied by the customer through payment of consideration exceeds the contract revenue recognized by the company, the difference is presented as a Contract Liabilities.

(G) **Variable Consideration:**

Variable considerations like discounts, rebates, refunds, credits, price concessions, penalties (liquidated damages) or other similar items in a Contract are accounted on the basis of contractual provisions/ management estimation and the net amount of consideration to which the company will be entitled in exchange for transferring the promised goods or services to a customer. The promised consideration can vary if an entity's entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event

Other Income

(A) Interest income is recognised using the effective interest rate (EIR). Interest income is included in "Other Income" in the Statement of Profit and Loss and is accounted for on accrual basis on time proportion on certainty of receipt. In case of fixed deposits, interest is accounted when it accrues to the Company by applying interest rate as applicable to each fixed deposit.

(B) Other items are recognized on accrual basis.

Insurance Claims

Amounts due against insurance claims are accounted for on accrual basis; in respect of claims which are yet to be finally settled at the end of reporting date by the underwriter, credits are reckoned, based on the Company's estimate of the realisable value.

(j) **Foreign currency transactions:**

(i) **Initial recognition**

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount, the exchange rate between the functional currency and the foreign currency at the date of the transaction.

(ii) **Conversion**

Foreign currency monetary items are reported using the closing exchange rate as on the reporting date. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using exchange rate at the date of the transaction. Advances paid to foreign suppliers for material / services are treated as non-monetary assets and consequently are reported using exchange rate on the date of transaction.

(iii) **Exchange difference**

Exchange differences arising on the settlement of monetary items or on reporting a 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.

(k) **Grants/Subsidy**

i. Capital grants / Subsidies

Capital grants/Subsidies relating to specific assets are disclosed at gross value and are amortised over the useful life of the respective item of PPE.

ii. Revenue grants / Subsidies

Government grants related to revenue items are adjusted with the related expenditure. If not related to a specific expenditure, it is taken as income.

(l) **Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(m) **Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand, cheques in hand, balance with banks in current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

(n) **Financial Instruments**

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

Financial Assets

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through Other Comprehensive Income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

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.

Financial Assets measured at amortised cost:

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Financial Assets measured at fair value through Other Comprehensive Income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in Other Comprehensive Income.

Financial Assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34 discloses how the company determines whether there has been a significant increase in credit risk.

Debts from Government / Government departments / Government Companies are generally not treated as doubtful. However, provisions are made in the Accounts on a case to case review basis excepting those which are not contractually due.

Derecognition of Financial Assets

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have ceased or the Company has transferred its rights to receive cash flows from the asset.

Financial Liabilities

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company.

The Company's financial liabilities include borrowings, trade and other payables.

Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities. Financial liabilities are subsequently measured at amortized cost. 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 effective interest rate (EIR). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective rate of interest.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit or Loss when the liabilities are derecognised as well as through the EIR amortisation process.

The EIR amortisation is included as finance cost in the Statement of Profit and Loss.

De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or

liabilities assumed, is recognised in profit or loss as other income or finance cost.

(o) Fair Value Measurement

The Company measures financial instruments at fair value at 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:

- In the principal market for the asset or liability, or
- 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 best economic 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 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.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company 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.

The Company determines the policies and procedures for recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

(p) Leases

In view of the implementation of Ind As 116, from 1 April 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for

use by the company. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments) and variable lease payment, if any, that are based on an index or a rate, initially measured using the index or rate as at the commencement date.

The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the company:

- a) Where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.
- b) Uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the company, which does not have recent third-party financing, and
- c) Makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right of use assets are measured at cost comprising the following:

- a) the amount of the initial measurement of lease liability,
- b) any lease payments made at or before the commencement date less any lease incentive received, and
- c) any initial direct costs

Right-of-use assets are generally depreciated over the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

The Company as Lessor

The Company classifies leases as either operating or finance lease. A lease is classified as a financial lease if the Company transfers substantially all the risks and rewards incidental to ownership of the Asset to the lessee, and classifies it as an operating lease otherwise.

(q) Employee Benefits

I. Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees

render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

II. Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the yield on Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

III. Post-employment Obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, Provident Fund and post-retirement medical scheme ; and
- (b) defined contribution plans such as pension scheme.

Gratuity

Gratuity Fund, a defined benefit scheme, is administered through duly constituted independent Trust and yearly contributions are based on actuarial valuation. Any additional provision as may be required, is provided for on the basis of actuarial valuation as per Ind AS -19 on Employee Benefits.

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Post-Retirement Medical Scheme

The post-retirement medical benefit to the existing employees is a defined benefit plans and is determined based on actuarial valuation as per Ind AS -19 on Employee

Benefits using Projected Unit Credit Method which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Post-retirement medical benefits in the case of the superannuated employees are defined contribution schemes and premium paid to an Insurance company is charged to the Statement of Profit and Loss of the year.

Provident Fund and Pension Scheme

Eligible employees receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to specified percentage of covered employee's salary. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government. The Provident Fund Trust of the Company has to declare interest on the Provident Fund at a rate not less than that declared by the Employees Provident Fund Organization. In case, the trust is not able to meet the interest liability, Company has to make good the shortfall. Since, the plan is defined benefit plan, the Company has got the same actuarially valued. In case, the additional liability is needed for the year, the same is provided.

Pension Fund

Defined contribution to Superannuation Pension Scheme is charged to statement of Profit & Loss at the applicable contribution rate as per approved Pension scheme.

(r) Dividend to Equity Shareholders

Dividend to Equity Shareholders is recognised as a liability and deducted from shareholders equity, in the period in which dividends are approved by the equity shareholders in the general meeting. In case of Interim dividend, the same is recognised as a liability and deducted from shareholders equity in the period in which interim dividend are approved by the Board of Director.

(s) Provision for Current & Deferred Tax

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in Equity or in Other Comprehensive Income, in which case it is recognized in Equity or in Other Comprehensive Income, as applicable.

i. Current Tax

Current tax comprises of the expected tax payable or receivable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred Tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax base at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilised. Deferred tax relating to items recognised in Other Comprehensive Income and directly in equity is recognised in correlation to the underlying transaction.

Deferred tax assets and liabilities are offset only if:

- a. Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b. Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

(t) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period, are adjusted for the effects of all dilutive potential equity shares.

(u) Provision, Contingent Liabilities and Contingent Assets

- i. Provisions for legal claims, warranties, discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. However, a provision is recognised if the Company has a contract that is onerous.
- ii. Provision for guarantee liability in respect of delivered ships is made on the basis of actuarial estimates. Such provision for all other products is made, as applicable, on the basis of management estimates.
- iii. Contingent Assets are not recognised but disclosed in the Financial Statements when economic inflow is probable.
- iv. Contingent Liabilities are not recognised but are disclosed in the notes.

- v. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period on the basis as detailed below. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A. In non-tax civil cases

In the case of non-tax civil cases, creation of accounting provision is considered on a review of status of each case as on the reporting date and provision, if required, is made in the accounts on the basis given below:

- a. In the arbitration cases where the Company has not contested or does not intend to contest the adverse outcome of arbitral award, the liability is not treated as contingent and full provision is considered.
- b. Where an adverse award/ decision is given by the arbitrator or by the trial court and an appeal is preferred by the Company or intended to be preferred, provision is made as follows:-
 - i. After the claim is disposed of by the Arbitrator - 25% of the amount in dispute.
 - ii. After the claim is disposed of by Higher Appeal Court - 50% of the amount in dispute, until disposal by the final appeal court. Revision petition, larger bench of the same court is considered as part of the relevant appeal process in the said court.
- c. Full provision of the disputed claim is considered in the case of an award/ decision where the Company does not proceed to contest the appellate award.
- d. No provision is made in case of demands raised by Government department/ statutory authority/ by Commissioner or Tribunal set up by such Government department/ statutory authority if the said demand is contested within the set-up of such Government department/ statutory authority and there is likelihood of deletion of demand in appeal based on legal opinion/latest judgement in favour of the Company.

B. In taxation cases

In the matter of taxation cases, the claimed amount is considered as contingent liability and no provision is considered if the decision up to Appeal stage goes against the Company and if the Company contests or intends to contest such decision before the Appellate Tribunal or decision of High Court/Supreme Court in similar cases is against the Company.

Where the decision of Appellate tribunal is against the Company, full provision of the amount in dispute is made irrespective of whether the Company contests such decision at any higher forum.

Note 2: Critical Estimates and Judgments:

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amount realised may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the period in which the results are known/ materialised and, if material, their effects are disclosed in the notes to the Financial Statements.

Estimates and assumptions are required in particular for:

i. **Estimated useful life of Property, Plant and Equipment (PPE):**

Determination of the estimated useful life of PPE and the assessment as to which components of the cost may be capitalized. Useful life of PPE is based on the life prescribed in Schedule II to the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

ii. **Recognition and measurement of defined benefit obligations:**

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government securities. The period to maturity of the underlying securities corresponds to the probable maturity of the post-employment benefit obligations.

iii. **Recognition of Deferred Tax Assets:**

Deferred tax asset is recognised for all the deductible temporary differences to the extent it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

iv. **Recognition and measurement of other provisions:**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

v. **Discounting of long-term financial liabilities**

All financial liabilities are measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest rate method.

Note 2.1: Recent Accounting Pronouncements:

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under companies (Indian Accounting Standards) rules as issued from time to time. On 12th August 2024, Ministry of Corporate Affairs (MCA) announced the notification of Indian Accounting Standard (Ind AS) 117, Insurance Contract and on 09th September, 2024, the MCA introduced the companies (Indian Accounting Standards) Second Amendment Rules, 2024 effective from 01st April 2024. The Impact of the same has been reviewed by the Company and provided as below:

Ind AS 117 – Insurance Contracts – This standard sets out principles for accounting for Insurance contracts, which means entities applying this standard will no longer rely on previous accounting practices such as Ind AS 115 (Revenue from Contracts with Customers) or Ind AS 109 (Financial Instruments), unless there is a specific exemption provided by Ind AS 117. However, The Company being not an issuer

of “Insurance Contracts”, the standards stand not applicable for the Company.

Ind AS 116 – Leases – The Amendment specifically address the accounting for sale and leaseback transactions under Ind AS 116. A sale and leaseback transaction is a financial arrangement in which an entity (the seller-lessee) sells an asset to another entity (the buyer-lessor) and subsequently rents the same asset back. The Company do not have such transactions and accordingly, there is no impact on its financial statements.

Note 3: Property, plant and equipment

(₹ in Lakh)

Particulars	Gross Carrying Amount				Depreciation and Amortisation			Net carrying amount		
	a	b	c	d=(a+b-c)	e	f	g	h=(e+f-g)	i=(d-h)	
	As at 1 April, 2024	Addition	Deductions / Adjustments	As at 31 March, 2025	As at 1 April, 2024	Charge for the period	Deductions / Adjustments	As at 31 March, 2025	As at 31 March, 2025	As at 31 March, 2024
Other than RoU										
Land - Freehold	5,125.72	-	-	5,125.72	-	-	-	-	5,125.72	5,125.72
Building - Freehold	11,317.17	1,855.39	-	13,172.56	1,922.24	421.80	-	2,344.04	10,828.52	9,394.93
Plant & equipment	28,829.45	1,368.58	24.55	30,173.48	7,578.28	1,374.62	14.29	8,938.61	21,234.87	21,251.17
Electrical installations	1,658.26	226.05	-	1,884.31	740.00	170.97	-	910.97	973.34	918.26
Docks & jetties	7,452.85	942.20	-	8,395.05	3,123.92	456.91	-	3,580.83	4,814.22	4,328.93
Furniture & fixtures	2,349.25	259.84	1.57	2,607.52	1,097.94	255.94	1.33	1,352.55	1,254.97	1,251.31
Office equipment	773.98	47.44	0.07	821.35	356.34	80.37	0.05	436.66	384.69	417.64
Computer	4,065.08	428.21	294.21	4,199.08	2,772.56	479.53	291.81	2,960.28	1,238.80	1,292.52
Launches, barges & boats	117.29	-	-	117.29	32.44	6.16	-	38.60	78.69	84.85
Vehicles	44.91	-	3.33	41.58	33.12	4.34	3.05	34.41	7.17	11.79
Motor lorries, trailers, mobile cranes etc.	266.93	-	-	266.93	110.70	27.17	-	137.87	129.06	156.23
Sub-total (1)	62,000.89	5,127.71	323.73	66,804.87	17,767.54	3,277.81	310.53	20,734.82	46,070.05	44,233.35
Previous Year	59,731.60	2,898.33	629.04	62,000.89	14,760.08	3,185.14	177.68	17,767.54	44,233.35	
Assets jointly funded by GRSE & Indian Navy										
Building	4,516.49	-	-	4,516.49	-	-	-	-	-	-
Less: Funded by Navy	3,224.69	-	-	3,224.69	-	-	-	-	-	-
Building funded by GRSE (a)	1,291.80	-	-	1,291.80	488.88	54.32	-	543.20	748.60	802.92
Plant & Equipment	3,320.27	-	-	3,320.27	-	-	-	-	-	-
Less: Funded by Navy	861.00	-	-	861.00	-	-	-	-	-	-
Plant & equipment funded by GRSE (b)	2,459.27	-	-	2,459.27	1,914.80	97.16	-	2,011.96	447.31	544.47
Dock & Jetties	33,894.69	-	-	33,894.69	-	-	-	-	-	-
Less: Funded by Navy	28,240.08	-	-	28,240.08	-	-	-	-	-	-
Dock & jetties funded by GRSE (c)	5,654.61	245.85	-	5,900.46	3,719.13	421.16	-	4,140.29	1,760.17	1,935.48
Sub-total (a+b+c) (2)	9,405.68	245.85	-	9,651.53	6,122.81	572.64	-	6,695.45	2,956.08	3,282.87
Previous Year	9,405.68	-	-	9,405.68	5,550.77	572.04	-	6,122.81	3,282.87	
Total Property, plant and equipment - other than RoU (1+2)	71,406.57	5,373.56	323.73	76,456.40	23,890.35	3,850.45	310.53	27,430.27	49,026.13	47,516.22
Previous Year	69,137.28	2,898.33	629.04	71,406.57	20,310.85	3,757.18	177.68	23,890.35	47,516.22	
Right of Use Asset										
Land -Leasehold	757.69	-	-	757.69	63.46	21.09	-	84.55	673.14	694.23
Vehicles - Leasehold	529.92	60.94	-	590.86	242.43	102.60	-	345.03	245.83	287.49
Total Right of use assets (RoU) (3)	1,287.61	60.94	-	1,348.55	305.89	123.69	-	429.58	918.97	981.72
Previous Year	1,287.61	-	-	1,287.61	188.96	116.93	-	305.89	981.72	
Total property, plant and equipment (1+2+3)	72,694.18	5,434.50	323.73	77,804.95	24,196.24	3,974.14	310.53	27,859.85	49,945.10	48,497.94
Previous Year	70,424.89	2,898.33	629.04	72,694.18	20,499.81	3,874.11	177.68	24,196.24	48,497.94	

Note :

- Current year deductions includes adjustment for scrapping of assets valued ₹ 6.26 Lakh (Deemed Cost ₹ 314.42 Lakh) and assets retire & sold during the year valued ₹ 6.94 Lakh (Deemed cost ₹ 9.98 Lakh). Scrapping of assets and retirement of assets in FY 2023-24 were ₹ 439.31 Lakh (Deemed Cost ₹ 576.17 Lakh) and ₹ 9.75 Lakh (Deemed Cost ₹ 48.83 Lakh) respectively. Further, previous year deductions includes assets valued ₹ 2.30 Lakh (Deemed Cost ₹ 4.26 Lakh) retired and sold during the year 2023-24.
- Jointly funded assets - Plant & Machinery as at 31 March 2025 of ₹ 447.31 Lakh (₹ 544.47 Lakh as at 31 March, 2024) also includes Electrical installation of New Dry Dock valued ₹ 61.88 Lakh (31 March, 2024: ₹ 61.88 Lakh).
- Property, plant and equipment as at 31 March 2025 include Modern Hull Shop, a New Dry Dock, Inclined Berth, Paint cell and other miscellaneous facilities which have been created under modernisation of infrastructure development. These assets have been jointly funded by the Indian Navy to the tune of ₹ 32,325.77 Lakh (original cost).
- Assets as at 31 March, 2025 exclusively funded by Navy (original Cost) not included in Property, plant and equipment is ₹ 801.23 Lakh. (31 March, 2024: ₹ 801.23 Lakh).
- Land of 61, Garden Reach Road, Kolkata is owned by Government of India, Ministry of Defence.
- Building as at 31 March 2025 includes ₹ 95.96 Lakh (original cost) (31 March, 2024: ₹ 95.96 Lakh) being one third share of the Company in Delhi Shipyard House. The building is jointly held by Garden Reach Shipbuilders and Engineers Limited, Mazagon Dock Shipyard Limited and Goa Shipyard Limited.

Note 4: Capital work-in-progress

(₹ in Lakh)

Particulars	a	b	c	d= (a+b-c)
	As at 1 April, 2024	Addition	Deductions / Adjustments	As at 31 March, 2025
Plant & equipment	421.63	748.55	1,007.85	162.33
Docks & jetties	-	6.05	-	6.05
Computer	4.54	568.60	-	573.14
Civil construction	735.69	3,046.67	2,400.95	1,381.41
Total	1,161.86	4,369.87	3,408.80	2,122.93
Previous Year	484.45	1,939.26	1,261.85	1,161.86

Note 4 (a) : Intangible asset under development

(₹ in Lakh)

Particulars	a	b	c	d= (a+b-c)
	As at 1 April, 2024	Addition	Deductions / Adjustments	As at 31 March, 2025
Prototype development	1,314.39	715.72	1,353.20	676.91
Total	1,314.39	715.72	1,353.20	676.91
Previous Year	119.60	1,194.79	-	1,314.39

Ageing schedule as at 31 March, 2025
As at 31 March, 2025

(₹ in Lakh)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,118.39	4.54	-	-	2,122.93
Projects temporarily suspended	-	-	-	-	-
Total	2,118.39	4.54	-	-	2,122.93

As at 31 March, 2025

(₹ in Lakh)

Intangible asset under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	485.03	191.88	-	-	676.91
Projects temporarily suspended	-	-	-	-	-
Total	485.03	191.88	-	-	676.91

Project Completion Schedule
As at 31 March, 2025

(₹ in Lakh)

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress				
Plant & equipment	4.97	-	-	-
Docks & jetties	232.32	-	-	-
Computer	69.93	-	-	-
Civil construction	1,217.70	-	-	-
Projects temporarily suspended	-	-	-	-
Total	1,524.92	-	-	-

As at 31 March, 2025

(₹ in Lakh)

Intangible asset under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress				
Prototype development	588.14	-	-	-
Projects temporarily suspended	-	-	-	-
Total	588.14	-	-	-

Note 4: Capital work-in-progress (Contd.)**Ageing schedule as at 31 March, 2024****As at 31 March, 2024**

(₹ in Lakh)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,161.86	-	-	-	1161.86
Projects temporarily suspended	-	-	-	-	-
Total	1,161.86	-	-	-	1,161.86

As at 31 March, 2023

(₹ in Lakh)

Intangible asset under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,194.79	-	-	-	1,194.79
Projects temporarily suspended	-	-	-	-	-
Total	1,194.79	-	-	-	1,194.79

Project Completion Schedule**As at 31 March, 2024**

(₹ in Lakh)

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress				
Plant & equipment	60.75	-	-	-
Computer	13.70	-	-	-
Civil construction	115.93	-	-	-
Projects temporarily suspended	-	-	-	-
Total	190.38	-	-	-

As at 31 March, 2024

(₹ in Lakh)

Intangible asset under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	325.17	-	-	-
Projects temporarily suspended	-	-	-	-
Total	325.17	-	-	-

Note 5: Intangible assets

(₹ in Lakh)

Particulars	Gross Block			Amortisation				Net Carrying Amount		
	As at 1 April, 2024	Additions	Deductions / Adjustments	As at 31 March, 2025	As at 1 April, 2024	Charge for the Period	Deductions / Adjustments	As at 31 March, 2025	As at 31 March, 2025	As at 31 March, 2024
	a	b	c	d = (a + b - c)	e	f	g	h=(e+f-g)	i=(d-h)	
Software (acquired)	2,726.62	309.20	0.68	3,035.14	1,967.90	275.09	0.68	2,242.31	792.83	758.72
Prototype	-	778.20	-	778.20	-	-	-	-	778.20	-
Total Intangible assets	2,726.62	1,087.40	0.68	3,813.34	1,967.90	275.09	0.68	2,242.31	1,571.03	758.72
Previous Year	2,545.53	181.31	0.22	2,726.62	1,709.57	258.55	0.22	1,967.90	758.72	

Note 6: Financial assets (Non-current)**Note 6(a): Investments - Non-current**

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Equity instruments		
Fully Paid up, Unquoted		
At Fair value through Profit and Loss		
6,145 shares of Woodlands Multispeciality Hospital Ltd (31 March, 2024: 6,145 shares) equity shares of ₹ 10/- each.	0.44	0.44
Total investments	0.44	0.44
Total non-current investments	0.44	0.44
Aggregate amount of unquoted investments	0.44	0.44

Considering investment amount is not material, management believes that fair value of the same will also be immaterial and hence the same is carried at cost as on the reporting date.

Note 6(b): Other financial assets (Non-current)

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Leave Encashment invested with LIC	7,836.10	7,461.02
Deposits with electricity board and others	820.04	771.87
Deferred credit recoverable from Navy	771.19	783.56
Total other financial assets (non - current)	9,427.33	9,016.45

Note 7: Non-current tax assets

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Advance income tax	9,642.54	7,766.96
Add : TDS & TCS Receivable	29,036.97	34,776.09
	38,679.51	42,543.05
Less: Provision for income tax	(19,442.43)	(22,700.30)
Total non-current tax assets	19,237.08	19,842.75

Note 8: Other non-current assets

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Prepaid expenses	23.43	20.16
Total other non-current assets	23.43	20.16

Note 9: Inventories

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Raw materials & equipments	1,58,711.94	2,17,660.70
Variable items of P17A	1,83,858.80	1,70,171.39
	3,42,570.74	3,87,832.09
Less: Provision for obsolescence & non-moving	(826.29)	(1,106.29)
	3,41,744.45	3,86,725.80
Stock in transit	736.02	5,025.06
Work in progress	12,478.40	6,445.17
Stores, Spares & Consumables	166.20	169.58
Scrap	99.60	78.53
Total inventories	3,55,224.67	3,98,444.14

Raw Material and Equipment includes ₹ 35,743.40 Lakh (31 March, 2024 : ₹ 44,475.14 Lakh) lying with third parties.

Above inventory includes ₹ 1,523.29 Lakh (31 March, 2024 : ₹ 399.02 Lakh) value of material which are in transit, not considered as sale, as control not yet transferred.

Note 10: Financial assets (Current)**Note 10(a): Trade receivables - Current**

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Trade receivables		
Unsecured, considered good	25,945.77	19,420.70
Unsecured, considered doubtful	0.58	0.58
	25,946.35	19,421.28
Less: Provision for doubtful trade receivable	0.58	0.58
Total trade receivables - Current	25,945.77	19,420.70

Note 10: Financial assets (Current) (Contd.)
Trade receivables ageing schedule
As at 31 March, 2025

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment						
	not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables - considered good	2,556.63	12,280.08	9,496.39	1,481.12	105.55	26.00	25,945.77
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable - credit impaired	-	-	-	-	-	0.58	0.58
Disputed Trade Receivables -considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	2,556.63	12,280.08	9,496.39	1,481.12	105.55	26.58	25,946.35
Less: Allowance for doubtful debt	(0.58)						
Total trade receivables - Current	25,945.77						

As at 31 March, 2024

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment						
	not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables - considered good	5,769.95	12,246.56	937.86	198.25	97.68	170.40	19,420.70
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable - credit impaired	-	-	-	-	-	0.58	0.58
Disputed Trade Receivables -considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	5,769.95	12,246.56	937.86	198.25	97.68	170.98	19,421.28
Less: Allowance for doubtful debt	(0.58)						
Total trade receivables - Current	19,420.70						

Note 10(b): Cash and cash equivalents

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Balances with banks		
- in current accounts	388.27	526.99
Cash in hand	-	0.01
Total cash and cash equivalents	388.27	527.00

Note 10: Financial assets (Current) (Contd.)**Note 10(c): Other bank balances**

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Bank Deposits with original maturity from 3 months to 12 months	3,63,784.10	3,36,910.30
Flexi bank deposits earmarked for variable item of P17A	8,999.42	34,585.23
Unpaid dividend account	13.61	11.31
Total other bank balances	3,72,797.13	3,71,506.84

Note 10(d): Other financial assets - Current

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Deposit with Customs and Port trust	2.73	2.73
Leave Encashment invested with LIC	501.01	681.29
Interest accrued but not due on deposits	10,669.79	12,792.35
Contract Assets	9,185.25	8,630.05
Current portion of deferred credit recoverable from Navy	132.65	128.37
Total other financial assets - Current	20,491.43	22,234.79

Note 11: Other current assets

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Advances recoverable in kind or for value to be received		
- Employees	197.49	221.54
- Sales Tax /VAT	67.08	67.08
- Goods and Services Tax	1,19,100.37	92,642.00
- Prepaid expenses	2,443.80	2,588.44
- Suppliers	53,955.10	33,863.79
Other receivables	1,802.78	3,045.89
Total other current assets	1,77,566.62	1,32,428.74

Note 12: Assets classified as held for sale

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2023
Plant & equipment	3.17	14.08
Furniture & fixtures	1.02	1.05
Office equipments	0.86	0.86
Total assets classified as held for sale	5.05	15.99

Non-recurring fair value measurements

Assets classified as held for sale during the reporting period is measured at the lower of its carrying amount and fair value less costs to sell and dispose off as per procedure. The Company has estimated the fair value to be higher than the carrying amount based on historical trend of realisation.

Note 13: Equity share capital and other equity

Note 13(a): Equity share capital

(₹ in Lakh)

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of ₹ 10/- (31 March, 2024: ₹ 10/-) each	20,00,00,000	20,000.00	12,50,00,000	12,500.00
Issued, subscribed and paid up				
Equity shares of ₹ 10/- (31 March, 2024: ₹ 10/-) each	11,45,52,000	11,455.20	11,45,52,000	11,455.20
		11,455.20		11,455.20

Reconciliation of number and amount of equity shares outstanding:

(₹ in Lakh)

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	11,45,52,000	11,455.20	11,45,52,000	11,455.20
Add: Issue of shares upon sub-division *	-	-	-	-
At the end of the period	11,45,52,000	11,455.20	11,45,52,000.00	11,455.20

*The Company in its board meeting held on 30th June, 2017 and the Annual General Meeting held on 25 August, 2017, sub-divided the Authorised Share Capital of the Company, comprising of 1,25,00,000 shares of ₹ 100/- each, into 12,50,00,000 shares of ₹ 10/- each. The Company in its 108th Annual General Meeting held on 20 September, 2024 increased its Authorised Share capital to 20,00,00,000 shares of ₹ 10/- each by creation of 7,50,00,000 shares of ₹ 10/- each.

Terms and rights attached to equity shares

Equity shares have a par value of ₹ 10/- (31 March, 2024: ₹ 10/-). They entitle the holder to participate in dividends, and to share in the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

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

Shareholder	As at 31 March, 2025		As at 31 March, 2024	
	Number of shares	% holding	Number of shares	% holding
The President of India	8,53,41,240	74.50%	8,53,41,240	74.50%

Disclosure of shareholding of promoters

Shares held by promoters as at 31 March, 2025

Promoter name	As at 31 March, 2025		As at 31 March, 2024		% of change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
The President of India	8,53,41,240	74.50%	8,53,41,240	74.50%	-

Shares held by promoters as at 31 March, 2024

Promoter name	As at 31 March, 2024		As at 31 March, 2023		% of change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
The President of India	8,53,41,240	74.50%	8,53,41,240	74.50%	-

Note 13: Equity share capital and other equity (Contd.)**Note 13(b): Other Equity**

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Capital redemption reserve	928.80	928.80
General reserve	6,064.86	6,064.86
Retained earnings	1,90,147.04	1,49,308.61
Other Comprehensive Income	(669.66)	(413.58)
Total reserves and surplus	1,96,471.04	1,55,888.69

(i) Retained earnings

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Opening balance	1,49,308.61	1,23,456.22
Net profit for the period	52,740.38	35,726.77
Dividend paid	(1,649.55)	(801.86)
Interim Dividend paid	(10,252.40)	(9,072.52)
Closing balance	1,90,147.04	1,49,308.61

(ii) Other Comprehensive Income

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Opening balance	(413.58)	(523.33)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of defined benefit plans (net of tax)	(256.08)	109.75
Closing balance	(669.66)	(413.58)

Nature and purpose of other reserves:**Note:**

- (i) Pursuant to Section 69 of the Companies Act, 2013 the Company has transferred a sum equal to the nominal value of the shares so purchased to the capital redemption reserve account out of free reserves of the Company. The capital redemption reserve is not in nature of free reserve.
- (ii) General reserve is primarily created to comply with the requirements of section 123(1) of the Companies Act, 2013. This is a free reserve and can be utilised for any general purpose like issue of bonus shares, payment of dividend, buy back of shares etc.

Note 14: Financial liabilities (Non-current)**Trade payable (non-current)**

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Trade payable		
- Russian deferred credit - foreign supplier	771.19	783.56
Total trade payables (non-current)	771.19	783.56

Note 14: Financial liabilities (Non-current) (Contd.)**Trade payables ageing schedule****As at 31 March, 2025**

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
MSME	-	-	-	-	-
Others	-	132.65	132.65	505.89	771.19
Disputed dues-MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	-	132.65	132.65	505.89	771.19

As at 31 March, 2024

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
MSME	-	-	-	-	-
Others	-	128.37	128.37	526.82	783.56
Disputed dues-MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	-	128.37	128.37	526.82	783.56

Note 15: Provisions (non-current)

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Accrued leave liability	7,708.16	7,640.80
Post retirement medical benefits	1,701.40	1,560.55
Total provisions (non-current)	9,409.56	9,201.35

Note 16: Deferred tax liabilities (net)**The balance comprises temporary differences attributable to:**

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Deferred tax liability		
Property, plant & equipment and intangible asset	4,194.40	4,017.31
Total deferred tax liabilities	4,194.40	4,017.31
Deferred tax asset		
Defined benefit obligation	2,564.89	2,550.64
Allowance for doubtful trade receivables	0.15	0.15
Provision for onerous contract	-	68.13
Total deferred tax assets	2,565.04	2,618.92
Net deferred tax liabilities	1,629.36	1,398.39

Note 16 (a): Deferred tax liabilities (net)

Movement in deferred tax liabilities/ (assets)

(₹ in Lakh)

Particulars	Property, plant and equipment & intangible asset	Defined benefit obligation	Other items	Total
At 01 April, 2023	3,963.81	(2,445.59)	(66.32)	1,451.90
Charged/(credited):				
- to profit or loss	53.50	(141.97)	(1.96)	(90.43)
- to other comprehensive income	-	36.92	-	36.92
At 31 March, 2024	4,017.31	(2,550.64)	(68.28)	1,398.39
Charged/(credited):				
- to profit or loss	177.09	71.89	68.13	317.11
- to other comprehensive income	-	(86.14)	-	(86.14)
At 31 March, 2025	4,194.40	(2,564.89)	(0.15)	1,629.36

Note 17: Financial liabilities (current)**Note 17(a): Borrowings (current)**

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Secured short term borrowings :		
a) Loans repayable on demand		
- from bank	-	5,558.48
(Secured by Fixed deposit)		
Total borrowings (current)	-	5,558.48

Note 17(b): Trade payables (current)

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Trade payables		
- Micro and small enterprises	367.61	50.32
- Russian deferred credit	132.65	128.37
- Others	1,14,640.53	99,063.32
Total trade payables (current)	1,15,140.79	99,242.01

Trade payables ageing schedule

As at 31 March, 2025

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
MSME	367.61	-	-	-	367.61
Others	48,086.03	51,002.43	3,860.03	11,824.69	1,14,773.18
Disputed dues-MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total trade payables (current)	48,453.64	51,002.43	3,860.03	11,824.69	1,15,140.79

As at 31 March, 2024

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
MSME	50.32	-	-	-	50.32
Others	74,892.33	7,898.79	7,865.96	8,534.60	99,191.69
Disputed dues-MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total trade payables (current)	74,942.65	7,898.79	7,865.96	8,534.60	99,242.01

Note 17(c): Other financial liabilities

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Security deposit	803.68	511.25
Accrued expenses		
- Accrued salaries and benefits	717.06	919.94
- Rent	15.53	15.53
Unpaid dividend	13.61	11.31
Other payables	2,022.86	2,088.49
Total other financial liabilities	3,572.74	3,546.52

Note 18: Other current liabilities

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Contract liabilities	6,90,004.03	7,32,716.82
Statutory liabilities	578.97	587.39
Total other current liabilities	6,90,583.00	7,33,304.21

Note 19: Provisions (current)

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Guarantee repair	1,910.88	1,050.86
Accrued Leave Liability	492.83	697.71
Post retirement medical benefits	287.88	234.60
Onerous Contract	-	270.66
Other provisions	2,731.84	1,550.09
Total provisions (current)	5,423.43	3,803.92

Information about individual provisions and significant estimates

Guarantee repairs

"Provision is made for estimated warranty claims in respect of ships and other products delivered which are still under warranty at the end of the reporting period. Management estimates the related provision for future warranty claims in respect of delivered ships based on the actuarial report which takes into consideration the historical warranty claim information as well as recent trends that might suggest that past cost information may differ from future claims. The assumptions made in the current period are consistent with those in the prior year. Factors that could impact the estimated claim information include the success of the Company's productivity and quality initiatives.

For provision with respect to other products management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

Provision for Onerous Contract

As on 31 March 24, unadjusted onerous provision was ₹ 270.66 Lakh (for Bangladesh Boats) out of total onerous provision of ₹ 602.35 Lakh provided up to FY 23-24. Additional onerous provision of ₹ 1196.96 Lakhs has been recognized in current financial year in respect of Bangladesh Boat due to Cost/time overrun. During the current financial year provision has been adjusted.

Movement of Provision for onerous loss is reflected under "Movement of Provision".

Other Provisions

Other Provisions represent employee related provisions based on the management's assessment.

Movements in provisions

Movements in major class of provisions during the financial year, are set out below:

(₹ in Lakh)

Particulars	Guarantee Repairs	Provision for Onerous Contract	Other Provisions
As at 01 April, 2023	600.01	279.07	1,217.73
Charged/(credited) to profit or loss			
additional provision recognised	777.44	155.22	1,541.17
unused amounts reversed			
Amount used during the year	(326.59)	(163.63)	(1208.81)
As at 31 March, 2024	1,050.86	270.66	1,550.09
Charged/(credited) to profit or loss			
additional provision recognised	1,277.09	1,196.96	2,784.23
Amount used during the year	(417.07)	(1,467.62)	(1,602.48)
As at 31 March, 2025	1,910.88	-	2,731.84

Note 20: Revenue from operations

(₹ in Lakh)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
a) Contract revenue		
- Shipbuilding	4,44,852.57	3,06,918.46
- Ship repair	10,000.16	7,566.45
- General engineering	-	379.25
- Diesel engines	4,997.78	4,410.93
b) Sale of products		
- B & D spares	27,650.26	19,727.78
- Bailey bridge	11,096.63	11,476.52
- General engineering	372.64	2,289.82
- Gun	3,200.00	-
(c) Sale of services		
- Ship repair	1,382.19	1,722.72
- Bailey bridge	3,449.39	2,546.99
- General engineering	60.77	24.31
- Diesel engines	35.92	378.84

(₹ in Lakh)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
(d) Misc. Project	-	16.99
(e) Project assistance	-	1,387.25
(f) Other operating revenue		
- Scrap sales	452.96	412.24
- Training Fees	17.50	5.68
Total revenue from operations	5,07,568.77	3,59,264.23

- i. Above includes Revenue from operation from export contracts ₹ 7,363.12 Lakh (FY 23-24 : ₹ 4,690.06 Lakh).
- ii. Export sales ₹ 6,964.68 Lakh (FY 23-24 : ₹ 4,550.67 Lakh).
- iii. The Company is engaged in the production of defence equipment and was exempted from Segment Reporting vide notification S.O. 802 (E) dated 23rd February, 2018 by amending notification no G.S.R. 463(E) dated 5th June, 2015. In view of the above, no disclosure is made separately by the company on operating segments under Ind AS 108 as well as Ind AS 115.

Note 21: Other income

(₹ in Lakh)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Interest income	24,973.68	27,135.47
Profit on sale of mutual fund	293.72	812.54
Gain on fair valuation		
- others	835.47	998.76
Rental income	12.59	74.75
Net foreign exchange gains	772.36	-
Insurance claims	0.40	53.50
Liability/provision written back	3,268.79	675.67
Profit/(Loss) on retired assets (net)	132.88	132.89
Other items	3,193.86	78.61
Total other income	33,483.75	29,962.19

Note :

Other items include refund of ₹ 2,955.90 lakh towards waiver of liquidated damages by the customer settled and received during the year against the earlier delivered project.

Note 22(a): Cost of materials consumed

(₹ in Lakh)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Raw materials	31,042.07	31,336.99
Equipments & components	3,01,428.26	1,74,699.79
Total cost of materials consumed	3,32,470.33	2,06,036.78

Note 22(b): Changes in inventories of work-in-progress and scrap

(₹ in Lakh)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Opening balance		
- Bailey bridge unit	3,659.29	4,603.60
- Engine unit	308.78	186.68
- Others	2,477.10	947.26
Total opening balance	6,445.17	5,737.54
Closing balance		
- Bailey bridge unit	4,978.09	3,659.29
- Engine unit	610.19	308.78
- Others	6,890.12	2,477.10
Total closing balance	12,478.40	6,445.17
Total changes in inventories of work-in-progress	(6,033.23)	(707.63)
Change in inventories of scrap	(21.07)	102.08
Total changes in inventories of work-in-progress and scrap	(6,054.30)	(605.55)

Note 23: Employee benefits expense

(₹ in Lakh)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Salaries and wages	27,991.27	26,368.75
Contribution to provident fund and other funds	3,702.89	4,000.03
Staff welfare expenses	4,390.50	4,524.55
Total employee benefit expense	36,084.66	34,893.33

Note 24: Finance costs

(₹ in Lakh)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Interest expense		
- Interest expense on bank overdraft	296.66	683.42
- Interest expense on LD liability	618.00	340.65
- Interest expense on lease liability	79.84	85.41
- Interest on dues to Micro & Small Enterprises	37.78	39.44
Total finance costs	1,032.28	1,148.92

Note 25: Depreciation and amortisation expense

(₹ in Lakh)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Depreciation of property, plant and equipment	3,974.14	3,874.11
Amortisation of intangible assets	275.09	258.55
Total depreciation and amortisation expense	4,249.23	4,132.66

Note 26: Other expenses - project related

(₹ in Lakh)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Facility hire	578.48	507.83
Insurance	1,296.95	1,019.58
Travelling expenses	369.32	456.91
Technicians' fees	11,114.24	6,817.32
Launching & commissioning expenses	62.19	300.57
Bank Charges	500.69	366.44
Miscellaneous expenses	896.60	435.37
Total other expenses - project related	14,818.47	9,904.02

Note 27: Other expenses

(₹ in Lakh)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Consumption of stores and spares parts	143.01	160.82
Power and fuel	1,183.19	983.04
Rent	300.76	462.43
Repair and maintenance		
- Buildings	478.85	638.92
- Plant & Equipment	1,248.01	1,174.89
- Other	1,251.61	1,571.02
Insurance	721.96	594.74
Rates and taxes	625.33	507.14
Marketing expenses	196.50	275.87
Stores clearing & dispatch expenses	57.50	15.92
Provision for non moving & obsolete inventory	116.87	409.92
Transport hire charges	379.55	374.81
Travelling expenses	332.85	312.11
Advertisement & publicity	259.30	372.56
Bank charges & commission	53.07	116.27
Printing & stationary	14.99	8.92
Postage & courier	8.72	7.27
Telephone & fax	43.42	41.94
Legal expenses	242.94	34.95
Corporate social responsibility	695.00	511.00

(₹ in Lakh)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Allowance for doubtful debts	7.12	8.05
Auditor's remuneration:		
(a) Audit Fees	10.75	8.60
(b) Tax audit fees	1.73	1.25
(c) Fees for other services	9.60	7.45
CISF Expenses	3,670.74	3,429.69
Property plant & equipment written off	6.26	439.32
Net Foreign exchange loss	-	259.71
Other miscellaneous expenses	583.35	695.76
Total other expenses	12,642.98	13,424.37

Expenditure on Research and Development aggregating to ₹ 2,939 Lakh (previous year ₹ 2,395 Lakh) is reflected under respective various heads in the above notes.

Note 28 (a): Income tax expense

(₹ in Lakh)

	Year ended 31 March, 2025	Year ended 31 March, 2024
Income tax expense		
Current tax		
Current tax (net of adjustment of earlier year) on profits for the year	17,271.48	12,455.75
Total current tax expense	17,271.48	12,455.75
Deferred tax		
Deferred tax (benefit)/expense	317.11	(90.43)
Total deferred tax expense	317.11	(90.43)
Income tax expense	17,588.59	12,365.32

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

(₹ in Lakh)

	Year ended 31 March, 2025	Year ended 31 March, 2024
Enacted income tax rate in India applicable to the Company	25.17%	25.17%
Profit before tax	70,328.97	48,092.09
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	17,700.40	12,103.82
Effect of expenses that are not deductible in determining taxable profit	1,999.14	2,065.58
Effect of expenses that are allowable in determining taxable profit	(2,429.62)	(2,078.07)
Effect of expenses incurred on Corporate Social Responsibility not deductible in determining taxable profit	174.92	128.61
Effect of income that is exempt from taxation	(364.37)	-
Adjustments for changes in estimates of deferred tax assets	317.11	(90.43)
Adjustment for excess provision of last year	-	-
Effect of Interest u/s 234B & C	191.01	235.81
Total income tax expense recognised in Profit and Loss	17,588.59	12,365.32

Note 29: Contingent Liabilities and Contingent Assets

As per Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets", the disclosures are given here under:

(₹ in Lakh)

(A) Contingent Liabilities	As at 31 March, 2025	As at 31 March, 2024
(i) Claims against the Company not acknowledged as debts	9,257.26	9,305.70
(ii) Estimated amount of liquidated damages on contracts under execution*	480.00	-
(iii) Guarantees		
a) Guarantees given by Banks	6,44,297.12	5,23,823.04
b) Indemnity Bonds for Performance & Warranties	1,26,032.44	1,10,311.42
c) Unexpired Letters of Credit	239.96	4,954.30
(iv) Other money for which the Company is contingently liable		
a) Sales Tax	506.83	506.83
b) Income Tax	1,683.57	1,633.19
c) GST	216.70	266.52
d) Custom Duty	401.51	-

* The extension of delivery date of Naval Surface Gun with Ammunition is under consideration of competent authority of the Navy. Since, such approval is awaited, Liquidated Damages (LD) of ₹ 480 lakh in respect of performance obligation already completed and revenue in respect of which has already been recognised is treated as contingent liability. In respect of performance obligation for the balance portion as on the reporting date, LD has not been considered since corresponding revenue is not recognized.

- (a) Contingent liability on account of Sales Tax amount to ₹ 506.83 lakh (31 March, 2024 ₹ 506.83 lakh) towards assessment dues and demand for the years 2007-08. This amount has not been acknowledged as debts and accordingly not provided for in the Accounts as the demand is under appeal before West bengal Sales Tax Appellate Tribunal.
- (b) Contingent liability on account of income tax amounts to ₹ 1683.57 Lakh (31 March, 2023 : 1633.19 Lakh) towards , Arbitrary increase by the Income Tax Authority in taxable income based on Form 26AS for AY 2009-10 - ₹ 1674.96 Lakh, and disallowance of 80G rebate - ₹ 8.61 Lakh for AY 2017-18. Above disputes have not been acknowledged as debt and accordingly not provided for in the Accounts as all the issues are under first stage of appeal.
- (c) Contingent liability on account of GST amounts to ₹ 216.70 Lakh (31 March, 2024 : 266.52 Lakh) towards, dispute for FY 2018-19 pertaining to demand of taxes & interest mainly on account of arbitrary mismatch of ITC. Above dispute has not been acknowledged as debt and accordingly not provided for in the Accounts as all the issues are under first stage of appeal. Dispute for FY 2017-18 amounting to ₹ 266.52 Lakh pertaining to demand of interest for arbitrary late payment has been settled in GST Amnesty Scheme u/s 128A and demand has been vacated, hence the contingent liability of ₹ 266.52 Lakh is withdrawn.
- (d) Contingent liability on account of Custom Duty amounts to ₹ 401.51 Lakh (Including Interest) towards, demand from Directorate of Revenue Intelligence, Kakinada Sub-Regional Unit for short payment of custom duty on import drawings. Demand raised by DRI, stating that the imports i.e., "Batch 1 & 2 drawings for 1000 M3 TSH Dredger (Yard 2121) for use in Export Dredging ship" does not fall under the criteria of availing benefit of "NIL" custom duty. Counter justifications are being made to DRI. Hence, above demand have not been acknowledge as debt and accordingly not provided in the Accounts.
- (e) The amounts shown under Contingent Liabilities represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be estimated accurately. The Company does not expect any reimbursement in respect of above Contingent Liabilities.

In the opinion of the Management, no provision is considered necessary for the disputes mentioned above on the grounds that there are fair chances of successful outcome of appeals made by Company.

Note 30: Commitments

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for	4,737.18	3,404.37
Advance paid against above	-	-

Note 31: Employee benefit obligations**(i) Leave obligations**

The leave obligations cover the Company's liability for sick and earned leave.

Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. Accordingly, leave obligation of ₹ 492.83 Lakh (31 March, 2024 ₹ 697.71 Lakh) is presented as current and remaining amount is presented as non current. The leave obligation is an unfunded plan, the Company makes contributions to scheme maintained by Life Insurance Corporation of India (LIC).

Based on actuarial valuation, a provision is recognised in full for the projected obligation over and above the funds held in scheme.

(₹ in Lakh)

Particulars	Leave obligation
As at 31 March, 2024	
Current portion	697.71
Non-current portion	7,640.80
Total	8,338.51
As at 31 March, 2025	
Current portion	492.83
Non-current portion	7,708.16
Total	8,200.99

(ii) Post-employment obligations**(a) Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary (including dearness allowance) per month computed proportionately for 15 days salary (reckoning 26 days for a month) multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

Based on actuarial valuation, a provision is recognised in full for the projected obligation over and above the funds held in scheme.

(b) Post-retirement medical scheme

The Company operates post-retirement medical benefit scheme. The plan is an unfunded plan. Based on actuarial valuation, a provision is recognised in full for the projected obligation.

Apart from the above, post retirement medical benefits to the superannuated employees are, defined contribution schemes and premium of ₹ 1,236.36 Lakh (31 March, 2024: ₹ 1,332.60 Lakh) paid to an Insurance Company. There are no other obligations to employees other than the contribution payable to the Insurance Company.

(c) Provident fund

The exempt provident fund set up by the Company is a defined benefit plan under IND AS 19 Employee benefits.

Provident Fund for eligible employees is managed by the Company through a trust in line with the Provident Fund and Miscellaneous Provision Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employees and employer @ 12% of basic salary (including Dearness Allowance) together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement whichever is earlier. The benefits vests immediately on rendering of the services by the employee. The contribution is charged to Statement of Profit and Loss of the year when the contributions to the respective funds are due in accordance with relevant statute .

Employer's contribution to Provident Fund & Family Pension fund is ₹ 1,935.36 Lakh for the year 2024-25 (₹ 2,100.86 Lakh for the year 2023-24).

The minimum interest rate payable by the trust to the beneficiaries every year is notified by the Government. The Company has an obligation to make good the shortfall ,if any, between the return from the investments of the trust (including investment risk fall) and the notified interest rate.

The Company has obtained report on the determination and disclosure of interest rate Guarantee, valuation of Assets & Liabilities as per Ind AS 19 of Employees Benefits relating to Exempt Provident Fund of GRSE for the period ended 31 March, 2025.

Note 31: Employee benefit obligations (Contd.)

(₹ in Lakh)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April, 2024	47,838.51	(48,132.60)	(294.09)
Current service cost	1,770.19	-	1,770.19
Interest expense/(income)	3,336.30	(3,356.88)	(20.59)
Total amount recognised in profit or loss	5,106.49	(3,356.88)	1,749.60
Remeasurements			
Return on plan assets, greater/(lesser) than discount rate	-	516.50	(516.50)
Actuarial (gain)/loss from change in demographic assumptions	(37.09)	-	(37.09)
Actuarial (gain)/loss from change in financial assumptions	(0.71)	-	(0.71)
Actuarial (gain)/loss from unexpected experience	862.86	-	862.86
Total amount recognised in other comprehensive income	825.06	516.50	308.56
Employer contributions/ premium paid	-	(1,770.19)	(1,770.19)
Benefit payments	(4,770.75)	4,770.75	-
Participant Contributions	2,592.04	(2,592.04)	-
Transfer in	-	-	-
31 March, 2025	51,591.35	(51,597.47)	(6.12)

From FY 2020-21 the Company has changed its Accounting policy regarding classification of Provident Fund contribution from Defined Contribution plan to Defined benefit plan. This change in Accounting policy was applied and observed that the net assets available for the benefits are in excess in comparison to the present value of retirement benefits. Hence, there is no impact on accounts of the Company during the current year.

(iii) Defined Contribution Plan:
Superannuation Pension Fund:

The Pension Scheme is administered by a Trust. The Company has transferred an amount of ₹ 457.79 Lakh for officers and non-unionised supervisors to LIC towards employer's contribution for the year 2024-25 (₹ 512.70 Lakh for the year 2023-24).

The pension scheme for unionised employees has been introduced w.e.f. 01 January 2012. An amount of ₹ 509.33 Lakh has been transferred to LIC for the year 2024-25 (₹ 583.28 Lakh for the year 2023-24) towards employer's contribution for operatives and office assistants.

National pension System has been introduced in GRSE w.e.f December 2024 for those employees who have opted NPS in place of existing Superannuation Pension Scheme. HDFC is the Pension Fund Manager for the first year. An amount of ₹ 131.20 Lakh has been transferred to HDFC towards employers contribution.

Note 31: Employee benefit obligations (Contd.)**(iv) Balance sheet recognition****(a) Post retirement medical scheme**

The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ in Lakh)

Particulars	Present value of obligation
1 April, 2023	1,682.78
Current service cost	69.03
Interest expense/(income)	117.29
Total amount recognised in Profit or Loss	186.32
Remeasurements	
Return on plan assets, excluding amounts included in interest expense/(income)	-
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	68.15
Experience (gains)/losses	(142.10)
Total amount recognised in other comprehensive income	(73.95)
Employer contributions/ premium paid	-
Benefit payments	-
31 March, 2024	1,795.15

(₹ in Lakh)

Particulars	Present value of obligation
1 April, 2024	1,795.15
Current service cost	89.88
Interest expense/(income)	125.12
Total amount recognised in Profit or Loss	215.00
Remeasurements	
Return on plan assets, excluding amounts included in interest expense/(income)	-
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	75.45
Experience (gains)/losses	(96.32)
Total amount recognised in other comprehensive income	(20.87)
Employer contributions/ premium paid	-
Benefit payments	-
31 March, 2025	1,989.28

Note 31: Employee benefit obligations (Contd.)

(b) Gratuity

The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ in Lakh)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April, 2023	12,287.27	(12,287.27)	-
Current service cost	750.96	-	750.96
Interest expense/(income)	814.95	(856.42)	(41.47)
Total amount recognised in profit or loss	1,565.91	(856.42)	709.49
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(15.83)	(15.83)
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	261.44	-	261.44
Actuarial (gain)/loss from unexpected experience	(318.33)	-	(318.33)
Total amount recognised in other comprehensive income	(56.89)	(15.83)	(72.72)
Employer contributions/ premium paid	-	(636.77)	(636.77)
Benefit payments	(1,189.82)	1,189.82	-
31 March, 2024	12,606.47	(12,606.47)	-

(₹ in Lakh)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April, 2024	12,606.47	(12,606.47)	-
Current service cost	617.86	-	617.86
Interest expense/(income)	821.38	(821.38)	-
Total amount recognised in profit or loss	1,439.24	(821.38)	617.86
Remeasurements			
Return on plan assets, greater/(lesser) than discount rate	-	(158.14)	(158.14)
Actuarial (gain)/loss from change in demographic assumptions	(21.30)	-	(21.30)
Actuarial (gain)/loss from change in financial assumptions	191.09	-	191.09
Actuarial (gain)/loss from unexpected experience	351.44	-	351.44
Total amount recognised in other comprehensive income	521.23	(158.14)	363.09
Employer contributions/ premium paid	-	(980.95)	(980.95)
Benefit payments	(1,643.90)	1,643.90	-
31 March, 2025	12,923.04	(12,923.04)	-

Note 31: Employee benefit obligations (Contd.)**(v) Significant estimates: actuarial assumptions**

The significant actuarial assumptions were as follows:

Particulars	31 March, 2025	31 March, 2024
Discount rate	6.75%	6.97%
Expected return on plan asset	6.75%	6.97%
Salary growth rate	7.00%	7.00%
Attrition rate	1.00%	1.00%
Mortality rate	IALM (2006-2008) Ultimate	IALM (2012-2015) Ultimate

Assumptions regarding future mortality for gratuity and medical are set, based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a person retiring at the age of 60.

(vi) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lakh)

Particulars	Impact on defined benefit obligation (Gratuity)			
	31 March, 2025		31 March, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 0.5%)	12,496.25	13,377.75	12,146.21	13,098.10
% change compared to base due to sensitivity	-3.30%	3.50%	-3.65%	3.90%
Salary growth rate (-/+ 0.5%)	13,146.56	12,686.46	12,840.27	12,356.28
% change compared to base due to sensitivity	1.70%	-1.80%	1.85%	-1.98%
Attrition rate (-/+ 0.5%)	12,965.10	12,878.06	12,607.12	12,605.82
% change compared to base due to sensitivity	0.30%	-0.30%	0.01%	-0.01%
Life expectancy/ mortality rate (-/+ 10%)	12,925.63	12,920.46	12,608.46	12,604.47
% change compared to base due to sensitivity	0.02%	-0.02%	0.02%	-0.02%

Particulars	Impact on Post-retirement medical benefits			
	31 March, 2025		31 March, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 0.5%)	2,058.91	1,917.67	1,745.60	1,843.80
% change compared to base due to sensitivity	3.50%	-3.60%	-2.76%	2.71%
Attrition rate (-/+ 0.5%)	1,924.39	2,057.18	1,792.45	1,797.84
% change compared to base due to sensitivity	-3.30%	3.40%	-0.15%	0.15%
Life expectancy/ mortality rate (-/+ 10%)	1,984.31	1,994.25	1,790.48	1,799.81
% change compared to base due to sensitivity	-0.25%	0.25%	-0.26%	0.26%

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(vii) The major categories of plan assets

The defined benefit plans (except Provident Fund) are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies. Thus, the composition of each major category of plan assets has not been disclosed.

Note 31: Employee benefit obligations (Contd.)**(viii) Risk exposure**

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk:

The defined benefit plans (except Provident Fund) are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies.

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk:

A decrease in the interest rate on plan assets will increase the plan liability.

Life expectancy:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

(ix) Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the year ending 31 March, 2026 are ₹ 2,217.31 Lakh.

The weighted average duration of the defined benefit obligation (gratuity) is 8 years and Post-retirement medical benefits is 7 years. The expected maturity analysis of undiscounted gratuity and post-retirement medical benefits are as follows:

(₹ in Lakh)

Particulars	Less than a year	More than 1 year
As at 31 March, 2025		
Defined benefit obligation (gratuity)	994.40	21,979.58
Post-retirement medical benefits	297.44	7,104.17
Total	1,291.84	29,083.75
As at 31 March, 2024		
Defined benefit obligation (gratuity)	1,407.98	22,763.57
Post-retirement medical benefits	242.56	6,428.17
Total	1,650.54	29,191.74

Note 32: Related party transactions

The Company is controlled by the President of India having ownership interest of 74.50%.

(a) Key management personnel compensation

(₹ in Lakh)

Particulars	31 March, 2025	31 March, 2024
Short-term employee benefits	331.06	285.44
Post-employment benefits	12.39	11.77
Total compensation	343.45	297.21

No amount has been written back/written off during the year in respect of dues to related parties.

(b) Transactions with related parties

As GRSE is a government entity under the control of Ministry of Defence (MoD), the company has availed exemption from detailed disclosures required under Ind AS 24 w.r.t. related party transactions with government and government related entities.

Note 32: Related party transactions (Contd.)

However as required under Ind AS 24, following are the individually significant transactions :-

(₹ in Lakh)

Particulars	31 March, 2025	31 March, 2024
Sales of goods and services		
Sale of goods (owned by Govt. of India)	87,381.21	84,878.42
Sale of services (owned by Govt. of India)	5,761.00	9,204.83
Other transactions		
Final Dividend paid to shareholder	1,228.91	597.39
Interim Dividend paid to shareholder	7,638.04	6,759.03

(c) Outstanding balances arising from sales/purchases of goods and services

(₹ in Lakh)

Particulars	31 March, 2025	31 March, 2024
Trade receivables (sale of goods and services)	21,743.97	17,046.55
Entities (owned by Govt. of India)		

Note 33: Fair value measurements**Financial instruments by category**

(₹ in Lakh)

Particulars	31 March, 2025			31 March, 2024		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
Equity instruments	0.44	-	-	0.44	-	-
Mutual Funds	-	-	-	-	-	-
Trade receivables	-	-	25,945.77	-	-	19,420.70
Security deposits	-	-	822.77	-	-	774.60
Deferred credit recoverable from Navy	-	-	903.84	-	-	911.93
Contract Assets	-	-	9,185.25	-	-	8,630.05
Cash and cash equivalents	-	-	388.27	-	-	527.00
Other bank balances	-	-	3,72,797.13	-	-	3,71,506.84
Other financial assets:						
Interest accrued but not due on deposits	-	-	10,669.79	-	-	12,792.35
Total financial assets	0.44	-	4,20,712.82	0.44	-	4,14,563.47
Financial liabilities						
Borrowings	-	-	-	-	-	5,558.48
Lease liability	-	-	966.88	-	-	1,008.58
Trade payables	-	-	1,15,911.98	-	-	1,00,025.57
Security deposits	-	-	803.68	-	-	511.25
Others	-	-	2,769.06	-	-	3,035.27
Total financial liabilities	-	-	1,20,451.60	-	-	1,10,139.15

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian accounting standard.

Note 33: Fair value measurements (Contd.)

(₹ in Lakh)

Financial assets and liabilities measured at fair value - recurring fair value measurements at 31 March, 2025	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Unquoted equity investments - healthcare sector	-	-	0.44	0.44
Unquoted Investment in Mutual fund	-	-	-	-
Total financial assets	-	-	0.44	0.44
Financial assets and liabilities measured at amortised cost for which fair values are disclosed at 31 March, 2025	Level 1	Level 2	Level 3	Total
Financial assets				
Deferred credit recoverable from Navy	-	-	903.84	903.84
Trade receivables	-	-	25,945.77	25,945.77
Total financial assets	-	-	26,849.61	26,849.61
Financial liabilities				
Trade payable				
LD deducted from vendors	-	-	12,562.97	12,562.97
Russian deferred credit	-	-	903.84	903.84
Total financial liabilities	-	-	13,466.81	13,466.81
Financial assets and liabilities measured at amortised cost for which fair values are disclosed at 31 March, 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Unquoted equity investments - healthcare sector	-	-	0.44	0.44
Unquoted Investment in Mutual fund		-	-	-
Total financial assets	-	-	0.44	0.44
Financial assets and liabilities measured at fair value - recurring fair value measurements at 31 March, 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Deferred credit recoverable from Navy	-	-	911.93	911.93
Trade receivables	-	-	19,420.70	19,420.70
Total financial assets	-	-	20,332.63	20,332.63
Financial liabilities				
Trade payable				
LD deducted from vendors	-	-	11,271.64	11,271.64
Russian deferred credit	-	-	911.93	911.93
Total financial liabilities	-	-	12,183.57	12,183.57

(ii) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include the fair value of the remaining financial instruments which is determined using discounted cash flow analysis.

Note 33: Fair value measurements (Contd.)**(iii) Fair value of financial assets and liabilities measured at amortised cost**

(₹ in Lakh)

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Deferred credit recoverable from Navy	903.84	903.84	911.93	911.93
Total financial assets	903.84	903.84	911.93	911.93
Financial liabilities				
Trade payable				
LD deducted from vendors	12,562.97	11,361.47	11,271.64	10,286.83
Russian deferred credit	903.84	903.84	911.93	911.93
Total financial liabilities	13,466.81	12,265.31	12,183.57	11,198.76

The carrying amounts of trade receivables, trade payables and cash and cash equivalents are considered to be the same as their fair values.

The fair values for financial instruments were calculated based on cash flows discounted using Marginal Cost of Funds based Lending Rate (MCLR) of State Bank of India on the reporting date for the same maturity. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Note 34: Financial Risk Management

The Company's activities are exposed to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost.	Diversification of bank deposits and credit limits.
Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	Projecting cash flows and considering the level of liquid assets necessary to meet the liabilities.
Market risk – foreign exchange	Future commercial transactions and recognised financial assets & liabilities not denominated in Indian rupee (INR).	Reimbursement from buyers for currency fluctuation.

(A) 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) including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

(i) Trade receivables and contract assets

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying no credit terms. Outstanding customer receivables are regularly monitored. Trade receivables are primarily from Navy (owned by Govt. of India), hence the credit risk is considered low. Further, the Company receives advance against orders which also mitigates the credit risk. For ageing of trade receivables please refer note 10(a).

(ii) Financial instruments and deposits

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy. Investment of surplus funds are made in accordance with DPE Guidelines on investment of surplus funds of the Company. The limits are set to minimise the concentration of risks and to mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the Balance Sheet at 31 March, 2025 and 31 March, 2024 is the carrying amounts as illustrated in Note 6 (b), Note 10 (b) and Note 10 (c).

Note 34: Financial Risk Management (Contd.)**(B) Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the underlying business, the Company maintains sufficient cash and liquid investments available to meet its obligations.

The Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements, if any.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

The amounts disclosed in the table are the contractual undiscounted and re-scheduled cash flows. Balances due within 12 months equal to their carrying balances as the impact of discounting is not significant.

(₹ in Lakh)

Contractual maturities of financial liabilities - 31 March, 2025	One year or less	More than 1 year	Total
Borrowings	-	-	-
Trade payables	1,15,140.79	1,459.16	1,16,599.95
Lease liabilities	204.80	2,212.64	2,417.44
Other financial liabilities	3,592.74	-	3,592.74
Total financial liabilities	1,18,938.33	3,671.80	1,22,610.13

(₹ in Lakh)

Contractual maturities of financial liabilities - 31 March, 2024	One year or less	More than 1 year	Total
Borrowings	5,558.48	-	5,558.48
Trade payables	99,242.01	1,540.56	1,00,782.57
Lease liabilities	179.74	2,355.57	2,535.31
Other financial liabilities	3,546.52	-	3,546.52
Total financial liabilities	1,08,526.75	3,896.13	1,12,422.88

(C) Market risk**Foreign currency risk**

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company is exposed to foreign currency risk since it imports components from foreign vendors. Also, the Company exports some of its ships to foreign buyers and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (i.e. ₹). The outflow on account of imports and payments in foreign currency is mostly reimbursable from the buyers. The risk in case of export is measured through a forecast of highly probable foreign currency cash flows.

Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR (foreign currency amount multiplied by closing rate), are as follows:

(₹ in Lakh)

Particulars	31 March, 2025			31 March, 2024		
	EUR	GBP	USD	EUR	GBP	USD
Financial assets	-	-	207.25	-	-	1,071.98
Financial liabilities	1,802.76	103.60	995.06	1,508.85	75.65	80.96
Net exposure to foreign currency risk	(1,802.76)	(103.60)	(787.81)	(1,508.85)	(75.65)	991.02

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in Lakh)

Particulars	Impact on profit before tax	
	31 March, 2025	31 March, 2024
EUR sensitivity		
INR/EUR Increases by 2.20% (31 March 2024 - 4.83%)*	(40)	(73)
INR/EUR Decreases by 1.84% (31 March 2024 - 1.84%)*	33	28
GBP sensitivity		
INR/GBP Increases by 4.47% (31 March 2024 - 4.43%)*	(5)	(3)
INR/GBP Decreases by 1.66% (31 March 2024 - 1.66%)*	2	1
USD sensitivity		
INR/USD Increases by 3.91% (31 March 2024 - 5.70%)*	(31)	57
INR/USD Decreases by 3.58% (31 March 2024 - 3.58%)*	28	(36)

* Holding all other variables constant.

Note 35: Capital Management

(a) Risk management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The amount mentioned under total equity in balance sheet is considered as Capital.

(b) Dividends paid and proposed

(₹ in Lakh)

Particulars	31 March, 2025	31 March, 2024
(i) Equity shares		
Final dividend for the year ended 31 March, 2024: ₹ 1.44 (31 March, 2023: ₹ 0.70) per fully paid share	1,649.55	801.86
Interim dividend for the year ended 31 March, 2025: ₹ 8.95 (31 March, 2024: ₹ 7.92) per fully paid share	10,252.40	9,072.52
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the board has recommended the payment of a final dividend of ₹ 4.90 per fully paid equity share (31 March 2024: ₹ 1.44). This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	5,613.05	1,649.55

Note 36: Earnings Per Share

Particulars	31 March, 2025	31 March, 2024
Profit attributable to equity share holders of the Company used in calculating basic and diluted earnings per share (₹ in Lakh)	52,740.38	35,726.77
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	11,45,52,000	11,45,52,000
Basic and diluted earnings per share (₹)	46.04	31.19

Note 37 : Expenditure on Corporate Social Responsibility (CSR) Activities

The various heads under which the CSR expenditure was incurred during the year is detailed as follows:

(₹ in Lakh)

Relevant clause of Schedule VII to the Companies Act, 2013	Description of CSR activities	Amount Spent
i) Clause (i)	Healthcare and Nutrition	531.63
ii) Clause (i)	Sanitation	9.36
iii) Clause (ii)	Skill Development Training	139.83
iv) Clause (iv)	Environmental sustainability, ecological balances and protection of flora and fauna	14.18
TOTAL		695.00

(₹ in Lakh)

Particulars	2024-25	2023-24
Amount required to be spent by the Company during the year	693.66	510.88
Amount spent during the year on:		
i) Construction/acquisition of any asset	140.96	166.97
ii) On purposes other than (i) above	554.04	344.03
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities undertaken	i. Promoting healthcare and Nutrition ii. Promoting Sanitation iii. Promoting Skill Development Training iv. Ensuring environmental sustainability, ecological balances and protection of flora and fauna	i. Promoting healthcare including preventive health care, Nutrition & Sanitation ii. Skill Development Training iii. Contribution to clean Ganga fund set-up by Central Govt.
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard-	NA	NA
Provision with respect to a liability incurred by entering into a contractual obligation & the movements in the provision during the year	NA	NA

Note 38: Construction contracts

On the balance sheet date, the Company reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognised profits (less recognised losses) exceed progress billings; a contract represents a liability where the opposite is the case.

(₹ in Lakh)

Particulars	31 March, 2025	31 March, 2024
(i) Contract revenue recognized for the year	4,59,850.51	3,19,275.09
(ii) Aggregate amount of costs incurred and recognized profit (less recognized losses) upto the reporting date for all contracts in progress as at that date	13,25,845.83	9,27,096.39
(iii) Amount of customer advances outstanding (gross) for contracts in progress	19,85,976.28	15,50,895.50

Note 39: Russian (USSR) deferred State Credit

An inter-governmental agreement between Russian Federation and Government of India was reached for restructuring of Russian deferred state credit in Ruble in connection with procurement.

As per the said agreement, the outstanding debt in Ruble as on 01.04.1992 was converted to Indian Rupees at the difference in Rupee-Ruble exchange rate between 01.04.1990 and 01.04.1992 and such amount of exchange rate difference was rescheduled by Government of India under a deferred Rupee payment arrangement payable over 45 years till 2037. These rescheduled payments are also reimbursable by Indian Navy. Such amount is accordingly held as Foreign Suppliers Deferred Credit as at 31 March, 2025 and aggregated to ₹ 903.84 Lakh (Undiscounted amount being ₹ 1,591.81 Lakh) [31 March, 2024: ₹ 911.93 Lakh (Undiscounted amount being ₹ 1,668.94 Lakh)].

Note 40:

- (a) The Company follows a general practice of undertaking physical verification of all the fixed assets in a phased manner in a block of three years. In the current year, such physical verification has been done in the GRSE's Rajabagan Dockyard (RBD) Unit, 61 Park Unit, GRSE Bhavan, Corporate Planning, Corporate Communication & Business Development Dept. and Commercial Shipbuilding dept. Discrepancies found have been appropriately dealt in the Accounts.
- (b) The 62 acres of land for setting up the Diesel Engine Plant at Ranchi was obtained free of cost from Heavy Engineering Corporation Ltd., Ranchi (HEC) in 1966 as a part of industrialization drive at the behest of MoD, Govt. of India and Govt. of Bihar. GRSE is in uninterrupted possession of the land since then and has created permanent structures thereon (title deed is with HEC, Ranchi). Various assets of the Diesel Engine Plant, Ranchi having book value of Rs. 1,509.65 Lakh (original value ₹ 3,756.92 Lakh) as on 31 March, 2025 have been installed / placed on the said premises. Ignoring the right of GRSE in the said land, the then Govt. of Bihar executed a Deed of Conveyance in favour of HEC in February, 1996. Later, HEC vide a letter of 07 August, 1999 raised a claim for a 30-year lease effective from 01.04.1996 of ₹ 1,488 Lakh as onetime premium and a sum of ₹ 148.8 Lakh p.a. being 10% of the said premium as annual lease rent which GRSE repudiated. During April, 2013, HEC unilaterally referred the disputes to PMA, DPE, Govt. of India for arbitration and subsequently inter alia prayed before PMA for directing GRSE to enter into lease agreement for totally baseless, frivolous and absurd lease rent and premium with interest for further period and to declare GRSE as "unauthorized occupant" etc. GRSE raised preliminary objection regarding maintainability and sustainability of the alleged reference of HEC and rejection of claim as the same are not sustainable on facts as well as in law. The matter was under adjudication before Smt. Zoya Hadke, Sole Arbitrator, PMA who after hearing both the parties at length, vide Order dated 30.6.2015 held that in absence of any agreement between the parties, the Arbitral Forum lacks jurisdiction to settle the dispute and rejected the reference of HEC. Accordingly, the arbitration matter stood disposed off. No appeal filed by HEC.

GRSE has also filed a Civil Suit (TS 117 of 2014) in March, 2014 before a competent Civil Court at Ranchi, HEC and the Govt. of Jharkhand being the defendants, with prayer for declaration by the Court that GRSE has acquired irrevocable licence coupled with interest in the subject land by setting up Diesel Engine Plant permanently thereon free of cost in accordance with the law of the land and for permanent injunction restraining HEC from interfering with the possession of land by GRSE and running industry thereon. Hearing of the case is in progress.

HEC has filed an Application under the Public Premises (Eviction of Unauthorised Occupants) Act, 1971 before the Estate Officer appointed under the said Act by HEC, for eviction of GRSE alleging as 'unauthorised occupant' from the said land occupied by DEP Unit of GRSE. [Case no. P.P. ACT/REV/201801 dated 28.4.2018]

GRSE has filed a Writ Petition [being WP (C) No. 3359 of 2018] before the Hon'ble Jharkhand High Court praying for 'declaration' that summary proceeding before the Estate Officer under the Public Premises (Eviction of Unauthorised Occupants) Act is not maintainable involving intricate and complicated questions of law pertaining to title, right, interest and possession to the land and moreover, competent civil court at Ranchi is already adjudicating the matter on the self-same cause of action. The High Court on 14.08.2018 directed HEC to file Opposition and not to evict GRSE from the said land. Meanwhile, upon approach by HEC, process to find out various possibilities to arrive at amicable settlement has been initiated.

In view of the above an amount of ₹ 5,803.20 Lakh (Previous year ₹ 5,654.40 Lakh) without interest has been considered as contingent liability not acknowledged as debt.

Note 41:

Letters seeking confirmation of balances in the accounts as at 31 December, 2024 of sundry creditors were sent to vendors. On the basis of replies received from certain vendors, adjustments wherever necessary have been made in the Accounts.

Note 42:

- (a) The Company has sent letters seeking confirmations of balances in respect of its Debtors Though no response has been received from the debtors, in the opinion of the Company, the balances have realisable values equal to the amount as stated in the books in the ordinary course of business, unless otherwise stated.
- (b) The amounts received from customers are mainly received in respect of ship division, customers being Indian Navy and Indian Coast Guards. In respect of other divisions, advance from customers are received mainly from Government Departments.

Note 43:

With introduction of Indian Accounting Standard (Ind AS 116) effective from 01.04.2019, the Company has adopted the same using retrospective transition method.

The actual lease rentals paid which were hitherto recognised as expense are now accounted as reduction in lease liability.

During the year, Rent and transport charges under other expenses, for the rent paid for lease hold land of ₹ 55.20 Lakh (FY 2023-24: ₹ 60.19 Lakh) and vehicle of ₹ 127.28 Lakh (FY 2023-24: ₹ 110.21 Lakh) has been adjusted with corresponding lease liability. Finance cost includes unwinding of Interest on lease rent paid of ₹ 79.84 Lakh (FY 2023-24: ₹ 85.41 Lakh) and depreciation & amortisation expenses include amortisation of RoU Assets of ₹ 123.70 Lakh (FY 2023-24: ₹ 116.93 Lakh).

Details of Lease Liabilities are appended below:

(₹ in Lakh)

Particulars	As at 1 April, 2024	Addition/ Adjustment	Unwinding of Interest	Total Cash Outflow	As at 31 March, 2025
Land	655.36	-	55.75	55.20	655.91
Vehicle	353.22	60.94	24.09	127.28	310.97
Total	1,008.58	60.94	79.84	182.48	966.88

Details of Contractual maturity of Assets on an undiscounted basis:

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Less than 1 year	7.40	-
More than 1 year	911.57	981.72
Total	918.97	981.72

Details of Contractual maturity of liabilities on an undiscounted basis

(₹ in Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Less than 1 year	204.80	179.74
1 year to 5 years	495.71	578.44
More than 5 years	1,716.93	1,777.13

Note 44:

Based on the information/documents available with the Company, information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 are as follow:

(₹ in Lakh)

Sl. No.	Description	2024-25	2023-24
a)	The principal amount remaining unpaid to suppliers as at the end of accounting year	367.61	50.32
b)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	16.56	1.34
c)	The amount of interest paid in terms of Section 16, along with the amount of payment made to the suppliers beyond the appointed day during the year	-	-
d)	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 year) but without adding the interest specified under this Act	35.01	38.10
e)	The amount of interest accrued during the year/period and remaining unpaid at the end of the accounting year	51.57	39.44
f)	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	-	-

Note 45:

The total Fund Based limits ₹ 22,700 Lakh (March 31, 2024: ₹ 21,000 Lakh) and Non-Fund based limits ₹ 8,56,600 Lakh (March 31, 2024: ₹ 8,30,800 Lakh) sanctioned by various banks under Multiple Banking Arrangement (MBA). The said limits are secured by hypothecation of entire current assets (excluding Fixed Deposits).

As on 31 March, 2025 guarantees given by Bank is ₹ 6,44,297.12 Lakh.

Note 46: Disclosure of recovery or settlement of assets and liabilities

(₹ in Lakh)

Particulars	31 March, 2025		31 March, 2024	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	-	49,945.10	-	48,497.94
(b) Capital work-in-progress	2,122.93	-	1,161.86	-
(c) Intangible assets	-	1,571.03	-	758.72
(d) Intangible assets under development	676.91	-	1,314.39	-
(e) Financial assets				
(i) Investments	-	0.44	-	0.44
(ii) Other financial assets	-	9,427.33	-	9,016.45
(f) Non-current tax assets	-	19,237.08	-	19,842.75
(g) Other non-current assets	-	23.43	-	20.16
(2) Current assets				
(a) Inventories	3,55,224.67	-	3,98,444.14	-
(b) Financial assets				
(i) Trade receivables	25,945.77	-	19,420.70	-
(ii) Cash and cash equivalents	388.27	-	527.00	-
(iii) Bank balances other than (ii) above	3,72,797.13	-	3,71,506.84	-
(iv) Other financial assets	20,491.43	-	22,234.79	-
(c) Other current assets	1,77,566.62	-	1,32,428.74	-
(d) Assets classified as held for sale	5.05	-	15.99	-
LIABILITIES				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Lease liabilities	-	762.08	-	828.84
(ii) Trade payables	-	771.19	-	783.56
(b) Provisions	-	9,409.56	-	9,201.35
(c) Deferred tax liabilities (Net)	-	1,629.36	-	1,398.39
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	-	-	5,558.48	-
(ia) Lease liabilities	204.80	-	179.74	-
(ii) Trade payables				
(A) total outstanding dues of micro enterprises and small enterprises	367.61	-	50.32	-
(B) total outstanding dues other than micro enterprises and small enterprises	1,14,773.18	-	99,191.69	-

Particulars	31 March, 2025		31 March, 2024	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
(iii) Other financial liabilities	3,572.74	-	3,546.52	-
(b) Other current liabilities	6,90,583.00	-	7,33,304.21	-
(c) Provisions	5,423.43	-	3,803.92	-

Note 47:

Title deed of Immovable Properties not held in the name of the company/Jointly held

Relevant line item in Balance sheet	Description of Item of property	Gross Carrying Value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Building	₹ 95.96 Lakh	Jointly owned with Mazagon Dock Shipyard Limited and Goa Shipyard Limited. (1/3 rd share each)	NA	15.06.1998	Jointly owned with Mazagon Dock Shipyard Limited and Goa Shipyard Limited. (1/3 rd share each)

Note 48:

As per existing accounting policy of the Company, Revenue in respect of Ship building projects is recognized over time using Input Method i.e., by comparing the actual costs incurred to the total costs anticipated for the entire contract. These estimates are reviewed and revised periodically.

Considering the advancement in construction stage of ongoing projects (i.e., P17A, NGOPV), cost to completion of these projects have been reviewed on the basis of management's best available estimates and revised accordingly. Due to such revisions, cost to completion is reduced by ₹ 43,303 Lakh and Profits for the current Year is increased by an amount of ₹ 10,000 Lakh.

Note 49:

Ratio	Numerator	Denominator	As at 31 March, 2025	As at 31 March, 2024	Variance (%)	Reason for Variance
Current Ratio (In times)	Current asset	Current Liability	1.17	1.12	4%	
Debt Equity Ratio (In times)	Debt (Long-term)	Equity	0.004	0.005	-20%	
Debt Service Coverage Ratio (In times)	Earnings available for debt service (PAT, Depreciation & Interest)	Debt Service (Interest & lease payments + Principal repayments)	8.72	1.31	566%	During FY 23-24, Repayment of ₹ 30,117.18 Lakh w.r.t Bank OD was made. In FY 24-25, Repayment of Bank OD is ₹ 5,440 Lakh. Due to the same, the ratio has improved significantly.
Return on Equity (%)	Profit After Tax less preference dividend (if any)	Average Shareholder's Equity	28.11%	23.14%	21%	
Inventory Turnover Ratio (In times)	Cost of goods sold	Average Inventory	1.25	0.99	26%	Revenue from operation has increased significantly resulting in higher cost of goods sold, where average Inventory level remain similar to previous year.
Trade Receivables Turnover Ratio (In times)	Credit sales	Average Trade Receivables	22.38	29.32	-24%	

Ratio	Numerator	Denominator	As at 31 March, 2025	As at 31 March, 2024	Variance (%)	Reason for Variance
Trade Payable Turnover Ratio (In times)	Credit Purchase	Average Trade Payable	3.57	3.73	-4%	
Net Capital Turnover Ratio (In Times)	Revenue from Operation	Working Capital	3.69	3.63	2%	
Net Profit Ratio (%)	PAT	Revenue from Operation	10.39%	9.94%	5%	
Return on Capital Employed (%)	EBIT	Capital Employed	34.19%	29.17%	17%	
Return on Investment (%)	Income from Invested Fund	Average Investment	7.05%	7.30%	-3%	

Note 50:

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Note 51:**Relationship with Struck off Companies**

(₹ in Lakh)

Name of Struck off Company	Nature of transaction with struck off company	Balance Outstanding As at 31 March, 2025	Relationship with the Struck off company, if any to be disclosed	Balance Outstanding As at 31 March, 2024	Relationship with the Struck off company, if any to be disclosed
BURN STANDARD CO. LTD.	Payables	7.84	Vendor	7.84	Vendor
BCG CONSULTANTS (P) LTD.	Payables	0.03	Vendor	0.03	Vendor
TECHNICO INDIA P LTD	Payables	0.80	Vendor	0.80	Vendor

Note 52:

Figures for the previous year have been regrouped/rearranged wherever necessary to correspond to those of the current year. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statement and are to be read in relation to the amounts and other disclosures relating to the current year.

Note 53:

The financial statements are authorised for issue by the Board of Directors on 13th May, 2025.

In terms of our report of even date**For Guha Nandi & Co.**

Chartered Accountants
Firm's Registration No - 302039E

Sd/-

(CA Dipak Kumar Shee)

Partner
Membership No. 061728

Place of Signature: Kolkata
Date: 13th day of May, 2025

For and on behalf of the Board of**Cmde. P R Hari, IN (Retd.),**

Chairman & Managing Director
DIN - 08591411

R.K Dash

Director (Finance) & CFO
DIN - 08511344

S. Mahapatra

Company Secretary
ACS 10992



GARDEN REACH SHIPBUILDERS & ENGINEERS LIMITED

Registered & Corporate Office: GRSE Bhavan, 61, Garden Reach Road, Kolkata-700024

Ph: (033)-24698101, Fax: (033)-24698150

Website: www.grse.in Email: co.sec@grse.co.in

CIN: L35111WB1934GOI007891

NOTICE OF 109th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 109th Annual General Meeting of **Garden Reach Shipbuilders & Engineers Limited** will be held on **Friday, 19th September, 2025** at 10:30 hours through Video Conference / Other Audio-Visual Means, to transact the following businesses:

ORDINARY BUSINESS:

- (1) To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2025, along with the Reports of the Board of Directors, Auditors' and the comments of the Comptroller & Auditor General of India thereon.
- (2) To confirm the payment of Interim Dividend of ₹8.95 per equity share and to declare a Final Dividend of ₹4.90 per equity share for the financial year 2024-25 (i.e., total Dividend of ₹13.85 per equity share for the financial year 2024-25).
- (3) To appoint a Director in place of Cdr. Shantanu Bose, IN (Retd.) (DIN: 09631817), who retires by rotation and being eligible, offers himself for re-appointment.
- (4) To fix the remuneration of Statutory Auditors to be appointed by the Comptroller & Auditor General of India for the financial year 2025-26.

In terms of provisions of Section 142 of the Companies Act, 2013, the remuneration of the Auditors shall be fixed by the Company in the General Meeting or in such manner as the Company in the General Meeting may determine. Hence, it is proposed that the Members may authorise the Board to fix the remuneration of the Statutory Auditors of the Company for the Financial Year 2025-26, as may deem fit.

SPECIAL BUSINESS:

- (5) **To confirm the Appointment of Shri Kamleshbhai Shashikantbhai Mirani (DIN: 11118795) as an Independent Director of the Company.**

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160, 161 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or

re-enactment(s) thereof for the time being in force), Regulation 16(1)(b), 17(1C), 25(2A) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('SEBI Listing Regulations'), as amended, and the Articles of Association of the Company, the appointment of Shri Kamleshbhai Shashikantbhai Mirani (DIN: 11118795) as an Additional Director (Part-Time Non-Official Director/ Independent Director) of the Company with effect from 21 May 2025, in terms of letter no. 11(70)/2021/Misc/D(NS) dated 16 May 2025 issued by Ministry of Defence, Govt. of India, and who holds office in terms of Section 161 of the Act, and who has submitted a declaration that he meets the criteria of independence as prescribed under the Act and SEBI Listing Regulations, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, to hold office for a period of three (3) years from 21 May 2025 to 20 May 2028 or until further orders as per the said MoD letter, and who shall not be liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters, things, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

- (6) **To confirm the Appointment of Capt. Sunilkumar Panangadan, IN (Retd.), (DIN: 11193635) as the Whole-time Director designated as Director (Corporate Planning and Personnel) of the Company.**

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 152, 160, 161 196 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, Regulation 17(1C) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('SEBI Listing Regulations'), as amended, Capt. Sunilkumar Panangadan, IN (Retd.), (DIN: 11193635), who was appointed as an Additional Director of the Company with effect from 14 Jul 2025 in terms of letter no. 1/1(2)/2024/D(NS) dated 14 Jul 2025 issued by Ministry

of Defence, Govt. of India (on behalf of President of India) and positioned as Director (Corporate Planning & Personnel) and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of a Director, the consent of the Members be and is hereby accorded for confirmation of the appointment of Capt. Sunilkumar Panangadan, IN (Retd.), (DIN: 11193635) as the Whole-time Director designated as Director (Corporate Planning & Personnel) of the Company and to hold office for a period of five (5) years effective from 14 Jul 2025 or until further orders, whichever is earlier, and shall be liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters, things, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

(7) To confirm the Appointment of Shri Rajeev Prakash (DIN: 08590061) as the Government Nominee Director of the Company.

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, Regulation 17(1C) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('SEBI Listing Regulations'), as amended, Shri Rajeev Prakash (DIN: 08590061) who was appointed as an Additional Director (Government Nominee Director) of the Company with effect from 15 Jul 2025 in terms of letter no. 8/(32)/2019-D (Coord/ DDP) dated 14 Jul 2025 issued by Ministry of Defence, Govt. of India (on behalf of President of India), and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of Director, the consent of the Members be and is hereby accorded for confirmation of the appointment of Shri Rajeev Prakash (DIN: 08590061) as the Government Nominee Director of the Company on such terms, conditions and tenure as may be determined by the President of India, and shall be liable to retire by rotation.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters, things, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

(8) To ratify the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2026.

To consider and if thought fit, to pass, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) therein or re-enactment thereof, for the time being in force), the remuneration payable to M/s. Bandyopadhyaya Bhaumik & Co., Cost Accountants, appointed as the Cost Auditor by the Board of Directors, to conduct audit of the cost accounting records of

the Company for the financial year ending 31st March, 2026, the remuneration amounting to ₹58,000/- plus applicable taxes and out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters, things, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

(9) To appoint Secretarial Auditor of the Company

To consider and if thought fit, to pass, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended, and relevant circulars issued by SEBI, and based on the approval of the Board of Directors of the Company, M/s. Mehta & Mehta, Company Secretaries (Firm Regn No.: P1996MH007500) be and are hereby appointed as the Secretarial Auditors of the Company for a term of five (5) consecutive financial years commencing from FY 2025-26 to FY 2029-30, to conduct Secretarial Audit of the Company, on such professional fee as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters, things, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board
Garden Reach Shipbuilders & Engineers Limited

Sd/-
(Sandeep Mahapatra)
Company Secretary and Compliance Officer
ICSI Membership No. ACS 10992

Date: 08th August, 2025

Place: Kolkata

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the 'Act'), setting out all material facts concerning special business under Item Nos. 5 to 9 of the accompanying Notice, is annexed hereto.
2. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with the subsequent circulars issued from time to time, the latest one being General Circular No. 09/2024 dated 19th September, 2024 ("MCA Circulars") and the Securities and Exchange Board of India ("SEBI") vide its circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 03rd October, 2024 (hereinafter collectively referred as "the Circulars") has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio-Visual

Means (OAVM) till 30th September 2025. In accordance with the said circulars and applicable provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 109th AGM of the Company shall be conducted through VC/ OAVM. The deemed venue for the 109th AGM shall be the Registered and Corporate Office of the Company at GRSE Bhavan, 61, Garden Reach Road, Kolkata – 700 024.

3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since, this AGM is being held pursuant to the circulars through VC / OAVM, the physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice. Further, in accordance with Regulation 44(4) of SEBI Listing Regulations, the Company is not required to send proxy forms where general meetings are held only through electronic mode.
4. Institutional / Corporate Members are requested to send scanned copy of their respective Board or governing body resolution/ authorization to attend the AGM through VC/ OAVM and vote through e-voting, to the Company at investor.grievance@grse.co.in.
5. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of SEBI Listing Regulations (as amended) read with the Circulars issued by MCA and SEBI and also SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09th December, 2020, the Company is providing remote e-voting facility to its Members in respect of the business to be transacted at the AGM and facility for those Members participating in the AGM to cast vote through e-voting system during the AGM.
6. National Securities Depository Limited ("NSDL") will be providing facility for voting through remote e-Voting, participation and remote e-Voting in the AGM through VC/ OAVM facility and remote e-Voting during the AGM. Members may note that NSDL may use third party service provider for providing participation of the members through VC/ OAVM facility. The procedure for participating in the meeting through VC / OAVM is explained in this Notice and is also available on the website of the Company at www.grse.in.
7. The Board of Directors of the Company has appointed CS Atul Kumar Labh, Practicing Company Secretary (FCS-4848/CP-3238) of M/s. A. K. Labh & Co., Company Secretaries, Kolkata to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.
8. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 13th September, 2025 to Friday, 19th September, 2025** (both days inclusive).
9. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on **Friday, 12th September, 2025 ("record date")** i.e. a day prior to commencement of book closure date. Only those Members whose names appear in the Register of Members/ list of Beneficial

Owners maintained by the Depositories (NSDL/ CDSL) as on the record date will be entitled to cast their votes by remote e-voting or e-voting during AGM. A person who is not a Member on the record date should accordingly treat this Notice for information purposes only.

10. Members may cast their votes on electronic voting system from any place (remote e-voting). The remote e-voting period will commence at **9.00 a.m. on Sunday, 14th September, 2025** and will end at **5.00 p.m. on Thursday, 18th September, 2025**. Thereafter, the remote e-voting module shall be disabled by NSDL for voting. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change the vote subsequently. In addition, the facility for e-voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>.
11. Members are requested to read the instructions as stated in this Notice under the section "*Instructions for e-Voting*".
12. In line with the Circulars, this Notice of 109th AGM along with the Annual Report of 2024-25 is being sent electronically to all the Members, whose name appear in the Register of Members/ list of Beneficial Owners on 22nd August, 2025, as received from Depositories (NSDL / CDSL) and whose email addresses are registered with the Company, its Registrar & Share Transfer Agent (RTA), or the Depository Participants (DPs). Additionally, in accordance with Regulation 36(1)(b) of the SEBI Listing Regulations, the Company is also sending a letter to those Members whose e-mail addresses are not registered, providing the weblink of Company's website for accessing the Annual Report of 2024-25.
13. The Notice of 109th AGM along with the Annual Report of 2024-25 is also being uploaded on the Company's website at www.grse.in and on the website of NSDL at <https://evoting.nsdl.com>. The Annual Report of 2024-25 along with the Notice can also be accessed from the 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.
14. The results of the e-voting shall be declared within two working days from the conclusion of the AGM and the resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared results, along with the Scrutinizer's Report, will be placed on the Company's website www.grse.in under the section 'Investors Corner'. The voting results will be communicated to the stock exchanges where the shares of the Company are listed, depositories, RTA and shall also be displayed on the website of NSDL i.e. www.evoting.nsdl.com.
15. The attendance of the Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
16. All documents referred to in the Notice will be available for electronic inspection without any fee from the date of circulation

of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to investor.grievance@grse.co.in.

17. During the AGM, Members may access the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested under Section 189 of the Act and other relevant documents, upon login to NSDL e-Voting system at <https://www.evoting.nsdl.com>.
18. Details as required in Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the ICSI in respect of the Director seeking appointment/ re-appointment at the AGM is provided as Annexure to this Notice. Requisite declarations have been received from the Director seeking appointment/ re-appointment.
19. In case of any query or clarification, the Members are requested to address all correspondence, including on dividends, to the Company/ RTA at investor.grievance@grse.co.in / rta@alankit.com.

DIVIDEND RELATED INFORMATION

1. Dividend, if declared at the AGM, will be paid within 30 days from the date of declaration, to those Members whose names appear on the Register of Members/ list of Beneficial owners as on the Record Date.
2. Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. Dividend warrants / demand drafts will be despatched to the

registered address of the members who have not updated their bank account details.

3. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants (DPs), with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its RTA cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the DPs of the Members. Thus, Members are requested to complete and/or update, as applicable, their Residential status, PAN, category, email address, postal address with the DPs.
4. Members holding shares in physical mode are requested to opt for the Electronic Clearing System (ECS) mode to receive dividend on time in line with the circulars. We urge members to utilize the ECS for receiving dividends. Please refer to point no. 5 under the section "Others Information" for the process to be followed for updating bank account details.
5. Pursuant to the provisions of the Income Tax Act, 1961 ("the IT Act"), dividend income is taxable in the hands of the members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at prescribed rates in the IT Act. The withholding tax rate would vary depending on the residential status of the member and documents registered/ submitted with the Company. Please note that the details as available on Record Date in the Register of Members will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions:

A. RESIDENT MEMBERS

- (a) Tax Deductible at Source for Resident Members

Sr. No.	Particulars	Withholding tax rate	Documents required (if any)
1	Valid PAN updated in the Company's Register of Members	10%	No document required (if no exemption is sought) If total dividend amount to be received in FY 2025-26 does not exceed ₹10,000/-, no TDS / withholding tax will be deducted. Also, please refer para 9 below.
2	No PAN/Valid PAN not updated in the Company's Register of Members/ PAN is not linked with AADHAR in case of individual	20%	No document required (if no exemption is sought) TDS/ Withholding tax will be deducted, regardless of dividend amount, if PAN of the member is not updated/ registered with the Company/ RTA / Depositories. Please also refer para 9 below.
3	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority Please Note: Shareholders should seek the lower withholding certificate on the TAN - CALG00408C of the Company to enable the Company to grant the benefit of the lower withholding certificate. Any certificate received in any other TAN of the Company will not be accepted.
4	Benefits under Income Tax Rule 37BA	Rates based on applicability of Income Tax Act, 1961 to the beneficial owner	If the registered member e.g. Clearing Member / intermediaries / stock brokers are not the beneficial members of the shares and if the declaration under Income Tax Rule Form 37BA(2) is provided regarding the beneficial owner, the TDS / Withholding tax will be deducted at the rates applicable to the beneficial members

- (b) No Tax Deductible at Source on dividend payment to resident members if the members submit and register following documents as mentioned in the below table with the Company / RTA

Sr. No.	Particulars	Withholding tax rate	Documents required (if any)
1	Submission of form 15G/15H	NIL	Declaration in Form No. 15G (applicable to any person other than a company or a firm) / Form 15H (applicable to an Individual who is sixty (60) years and above), fulfilling certain conditions.
2	Members to whom section 194 of the Income Tax, 1961 does not apply such as LIC, GIC, etc.	NIL	Documentary evidence for exemption u/s 194 of Income Tax, 1961.
3	Member covered u/s 196 of Income Tax Act, 1961 such as Government, RBI, corporations established by Central Act & mutual funds.	NIL	Documentary evidence for coverage u/s 196 of Income Tax Act, 1961
4	Category I and II Alternative Investment Fund	NIL	SEBI registration certificate to claim benefit under section 197A (1F) of Income Tax Act, 1961
5	<ul style="list-style-type: none"> Recognised Provident Fund Approved Superannuation Fund Approved Gratuity Fund 	NIL	Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT)
6	National Pension Scheme	NIL	No TDS as per section 197A (1E) of Income Tax Act, 1961. Valid documentary evidence to be provided.
7	Any resident member exempted from TDS deduction as per the provisions of Income Tax Act or by any other law or notification.	NIL	Necessary documentary evidence substantiating exemption from deduction of TDS

B. NON-RESIDENT MEMBERS:

Withholding tax on dividend payment to non-resident members if the non-resident members submit and register following document as mentioned in below table with the Company / RTA

Sr. No.	Particulars	Withholding tax rate	Documents required (if any)
1	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess)	FII/ FPI registration certificate.
2	Other Non-resident Members	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	<p>To avail beneficial rate of tax treaty following tax documents would be required:</p> <ul style="list-style-type: none"> i) Self-attested copy of Tax Residency certificate issued by revenue authority of country of residence of member for the year in which dividend is received ii) Self-attested copy of PAN iii) Electronically generated Form 10F valid for the period April 2025 to March 2026. iv) Self-declaration, certifying the following points: <ul style="list-style-type: none"> (a) Member is and will continue to remain a tax resident of the country of its residence during the financial year 2025-26; (b) Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company; (c) Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;

Sr. No.	Particulars	Withholding tax rate	Documents required (if any)
			<p>(d) Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and</p> <p>(e) Member does not have a taxable presence or a permanent establishment in India during the financial year 2025-26.</p> <p>(Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non- Resident member and review to the satisfaction of the Company)</p>
3	Indian Branch of a Foreign Bank	NIL	<p>Lower tax deduction certificate u/s 195(3) obtained from Income Tax Authority.</p> <p>Self-declaration confirming that the income is received on its own account and not on behalf of the Foreign Bank</p>
4	Availability of Lower/NIL tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in certificate	Lower tax deduction certificate obtained from Income Tax Authority

6. In order to enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide the aforesaid details/ documents on or before **Friday, 12th September, 2025**. Any communication on the tax determination/ deduction received post **Friday, 12th September, 2025** shall not be considered. It may be further noted that application of TDS rate is subject to necessary verification by the Company of the member details as available in Register of Members as on the Record Date, and other documents available with the Company / RTA.
7. The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the Non-resident Member.
8. In case, TDS is deducted at a higher rate in absence of receipt of the aforementioned details / documents from you, an option is still available with the member to file the return of income and claim an appropriate refund, if eligible.
9. No TDS will be deducted in case of resident individual members whose total dividend amount during FY 2025-26 does not exceed ₹10,000. However, where the PAN is not updated in Company / RTA records or in case of an invalid PAN, the Company will deduct TDS / Withholding tax u/s 194 with reference to Section 206AA of Income Tax Act, 1961.
- Further, from 01 July, 2024 the PAN of member who have failed to link the PAN with AADHAAR, as required, shall become inoperative and TDS will be deducted at the rate of 20% with reference to section 206AA of Income Tax Act.
- All the members are requested to update their PAN with their Depository Participant (if shares are held in electronic form) and Company / RTA if shares are held in physical form) against all their folio holdings on or before 12th September, 2025.
10. The Company will arrange a soft copy of the TDS certificate to its members through registered email registered with the Company
- / RTA post payment of the said Dividend. Members will be able to download the Form 26AS from the Income Tax Department's website <https://incometaxindiaefiling.gov.in>.
11. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Member/s, such Member/s will be responsible to indemnify the Company, and also provide the Company with all information / documents and co-operation in any proceedings.
12. Members holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares are held under a PAN will be considered on their entire holding in different accounts.
13. In case of any discrepancy in documents submitted by the Member, the Company will deduct tax at higher rate as applicable, without any further communication in this regard.
14. In case of joint Members, the member named first in the Register of Member is required to furnish the requisite documents for claiming any applicable beneficial tax rate.
15. This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Members should consult their tax advisors for requisite action to be taken by them.

OTHER INFORMATION

1. Members are requested to claim any money lying in the Unpaid Dividend Account(s) with the Company since the Company is obliged to transfer any money lying in such Account, which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer to the Account, to the credit of the Investor Education and Protection Fund (IEPF) established by the Central Government. The detailed unpaid/ unclaimed dividend history is available on website of the Company at www.grse.in.

2. Members are requested to contact M/s. Alankit Assignments Limited, RTA of the Company for encashing the unclaimed dividends standing to the credit of their account. The detailed dividend history and due dates for transfer to IEPF are available on the website of the Company at www.grse.in.
3. SEBI has mandated that securities of the Company can be traded only in dematerialised form. Regulation 40 of SEBI Listing Regulations, as amended, also mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has clarified that listed companies shall issue the securities only in demat mode while processing investor service requests pertaining to issuance of duplicate shares, exchange of shares, endorsement, sub-division/ consolidation of share certificates, etc. In view of this and to eliminate all risks associated with physical shares, members are advised to dematerialize shares held by them in physical form for ease in portfolio management
4. For members who hold shares in physical form, SEBI has mandated furnishing of PAN linked with Aadhaar and KYC details (i.e. e-mail address, postal address with PIN code, mobile number, bank account details, nomination etc.). In case any of the aforesaid documents/ details are not available in the record of the Company/ RTA, the member shall not be eligible to lodge grievance or avail any service request from the RTA until they furnish complete KYC details/ documents. Further, with effect from 1st April 2024, any payment of dividend shall only be made in electronic mode to such members.
5. Members, whose KYC details (i.e. e-mail address, postal address with PIN code, mobile number, bank account details, PAN details linked with Aadhaar etc.) is not registered/ updated with the Company or with their respective Depository Participant, and who wish to receive the Notice of the AGM, Annual Report, and all other future communications sent by the Company from time to time, can get their KYC details registered/ updated by following the steps as given below:
 - (a) Members holding shares in demat form may update their KYC details including e-mail address with their Depository

Participant(s).

- (b) Members holding shares in physical form by submitting the duly filled below mentioned forms along with requisite supporting documents and signed request letter to the Company/ RTA:

Sr. No.	Particulars	Form
1.	Registration of PAN, postal address, e-mail address, mobile number, Bank Account Details or changes /update thereof	ISR-1
2.	Confirmation of Signature of shareholder by the Banker	ISR-2
3.	Registration of Nomination	SH-13
4.	Cancellation or Variation of Nomination	SH-14
5.	Declaration to opt out of Nomination	ISR-3

The above documents can be submitted to M/s. Alankit Assignments Limited, RTA of the Company/RTA at investor.grievance@grse.co.in / rta@alankit.com.

6. Nomination facility as per the provisions of Section 72 of the Act is available to members holding shares in the Company. Members holding shares in physical form and who have not yet registered their nomination are requested to register the same by submitting form SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the website of the Company at www.grse.in. Members holding shares in demat form may approach their respective DPs for completing the nomination formalities.
7. Non-Resident Indian members are requested to inform the Company/ RTA (if shareholding is in physical mode) / respective DPs (if shareholding is in demat mode), immediately of change in their residential status on return to India for permanent settlement.
8. In case of any queries/ difficulties in registering the e-mail ids, Members may write to the Company/RTA at investor.grievance@grse.co.in.

INSTRUCTIONS FOR E-VOTING

In compliance with Regulation 44 of SEBI Listing Regulations and Section 108 and other applicable provisions of the Act, read with the related rules, as amended from time to time, the Company is pleased to provide e-voting facility to all its members, to enable them to cast their votes on the resolutions proposed to be passed at AGM by electronic means. The Company has engaged the services of NSDL for the purpose of providing e-voting facility to all its members.

Remote E-voting - Key Dates:

Record date (The date, one day prior to the commencement of book closure, for determining the Members who are entitled to vote on the resolutions set forth in this Notice)	Friday, 12 th September, 2025
Book closure dates (Period during which the Register of Members and Share Transfer Books of the Company shall remain closed)	Saturday, 13 th September, 2025 to Friday, 19 th September, 2025 (both days inclusive)
Remote e-voting period	
Start Date and Time	9.00 A.M. (IST) on Sunday, 14 th September, 2025
End Date and Time	5.00 P.M. (IST) on Thursday, 18 th September, 2025

The details of the process and manner for e-voting are explained herein below. Further, the way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are as follows:

Step 1: Access to NSDL e-voting system:

I. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on e-voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail ID in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholder holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client ID, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 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. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also be able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important Note: Members who are unable to retrieve User ID/Password are advised to use 'Forget User ID / Forget Password' option.

Individual Shareholders holding shares in demat mode who need assistance for any technical issues related to login through Depository i.e. NSDL and CDSL may reach out to below helpdesk:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

II. Login Method for e-voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered on 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. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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 direct you to change your password.
- How to retrieve your 'initial password'?
 - 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'.
 - If your email ID is not registered, please follow steps mentioned above 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:

- 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.
- Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- 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.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-voting system.

I. How to cast your vote electronically and join AGM on NSDL e-voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- 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.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

- Institutional / Corporate Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JEPG 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 aklabhcs@gmail.com with a copy marked to investor.grievance@grse.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login. Please note that in case of Non-Individual Shareholders (except HUF), furnishing of the Board Resolution/

Authority Letter/ Power of Attorney, in any mode as mentioned hereinabove is mandatory and in lack of it, the vote would be considered invalid by the Scrutinizer.

2. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
3. Any person holding shares in physical form and non-individual shareholders, who acquire shares and become Members of the Company after the sending of Notice and hold shares as on cut-off date i.e. 22nd August, 2025, may obtain the USER ID and password by sending request at evoting@nsdl.com or to the RTA at their e-mail id rt@alankit.com. However, if you are already registered with NSDL for remote e-voting then you can use your existing User ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and hold shares as of the cut-off date i.e. 22nd August, 2025, may follow steps mentioned above under the section "Step 1: Access to NSDL e-Voting system".
4. 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.
5. 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 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.com. Members may also write to the Company Secretary at the Company's email address at investor.grievance@grse.co.in.

INSTRUCTIONS FOR MEMBERS FOR PARTICIPATING IN THE AGM THROUGH VC/OAVM

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "Join Meeting" tab against company name. You are requested to click on VC/OAVM link placed under Join Meeting tab. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the 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 to avoid last minute rush.
2. Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders holding 2% or more

shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, HR, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizer, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. Members are encouraged to join the Meeting through Laptops for better experience. Further, Members will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Members connecting from Mobile Devices, Tablets or 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 kind of aforesaid glitches.
5. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, the Members who would like to express their views/ask questions during the AGM may register themselves as a speaker, may send their request mentioning their name, DP ID and Client ID number/ folio number, email ID and mobile number at investor.grievance@grse.co.in latest by **5.00 p.m. on Wednesday, 17th September, 2025**. Further, members are encouraged to express their views/ send queries in advance mentioning their name, DP ID and Client ID number/ folio number, email ID and mobile number at investor.grievance@grse.co.in. Questions / queries received by the Company till 5.00 p.m. on Wednesday, 17th September, 2025 shall only be considered and responded during the AGM.
6. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed. Further, the Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM. In the interest of time, each speaker is requested to express his/her views in 2-3 minutes of their allotted time.
7. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.com or call 022 - 4886 7000

INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members, who will be present in the AGM through VC / OAVM facility and have not casted 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 in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. Members who need assistance before or during the AGM with use of technology, can contact the persons as mentioned above under the section "General Guidelines for Shareholders".

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. (5)

Your Company being a Government Company, the Directors on the Board are appointed by the Government of India.

The Ministry of Defence, Government of India vide its letter no. 11(70)/2021/Misc/D(NS) dated 16 May 2025 appointed Shri Kamleshbhai Shashikantbhai Mirani (DIN: 11118795) as Part-Time Non-Official Director (Independent Director), an Additional Director, on the Board of the Company for a period of three (3) years with effect from 21 May 2025 to 20 May 2028 or until further orders, whichever is earlier. In terms of the Companies Act, 2013 ("Act") and Articles of Association of the Company, he is not liable to retire by rotation.

Pursuant to the provisions of Section 161 and other applicable provisions, if any, of the Act and Articles 195 and 196 of the Articles of Association of the Company, Shri Mirani has been appointed as Additional Director to hold office upto the date of the ensuing Annual General Meeting.

The Company has received a declaration of independence from Shri Kamleshbhai Shashikantbhai Mirani confirming that he meets the criteria for independence as set out in Section 149(6) read with Schedule IV of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended). He has also provided his consent to act as a Director and confirmed that he is not disqualified under Section 164 of the Act. Shri Mirani is registered with Independent Directors' databank as maintained with the Institute of Corporate Affairs of India and has submitted a declaration of such compliance under Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

In accordance with Section 160 of the Act, the Company has received a notice from a member proposing the candidature of Shri Kamleshbhai Shashikantbhai Mirani for the office of Independent Director of the Company.

Pursuant to Regulation 17(1C) of the SEBI Listing Regulations, public sector companies are required to obtain the approval of shareholders for appointment of a person on the Board of Directors at the next general meeting. Further, as per Regulation 25(2A) of the SEBI Listing Regulations, the appointment, re-appointment or removal of an Independent Director of a Company, shall be subject to the approval of shareholders by way of a special resolution.

A brief resume of Shri Kamleshbhai Shashikantbhai Mirani inter-alia, detailing his nature of expertise in specific functional areas, experience, skills and capabilities, disclosure of relationships between directors, directorship in listed entities and other companies, membership/ chairmanship of Committees, shareholding in the Company, and other particulars is annexed to this notice.

None of the Directors, Key Managerial Personnel of the Company or their relatives except Shri Kamleshbhai Shashikantbhai Mirani, being the appointee, is in any way concerned or interested in the resolutions set out at Item No. 5 of this Notice.

The Board accordingly recommends the resolution set forth in Item No.5 of the Notice for the approval of the Members as Special Resolution.

Item No. (6)

Your Company being a Government Company, the Directors on the Board are appointed by the Government of India (on behalf of the President of India).

The Ministry of Defence, Government of India vide its letter no. 1/1(2)/2024/D(NS) dated 14 Jul 2025 appointed Capt. Sunilkumar Panangadan, IN (Retd.), (DIN: 11193635), as Director (Corporate Planning & Personnel) on the Board of the Company for a period five (5) years effective from 14 Jul 2025 or until further orders, whichever is earlier. In terms of the Companies Act, 2013 ("Act") and Articles of Association of the Company, he is liable to retire by rotation.

Pursuant to Section 161 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') and Articles 195 & 196 of the Articles of Association of the Company, Capt. Sunilkumar Panangadan, Director (CP&P) has been appointed as Additional Director to hold office upto the date of the next Annual General Meeting.

Pursuant to Section 160 of the Act, the Company has received a notice from a member proposing the candidature of Capt. Sunilkumar Panangadan, IN (Retd.) for the office of Whole-time Director of the Company.

Pursuant to Regulation 17(1C) of the SEBI Listing Regulations, public sector companies are required to obtain the approval of shareholders for appointment of a person on the Board of Directors at the next general meeting.

A brief resume of Capt. P Sunilkumar IN (Retd.) inter-alia, detailing his nature of expertise in specific functional areas and experience, disclosure of relationships between directors, directorship in listed entities and other companies, membership/ chairmanship of Committees, shareholding in the Company, and other particulars is annexed to this notice.

None of the Directors, Key Managerial Personnel of the Company or their relatives except Capt. P Sunilkumar IN (Retd.), being the appointee, is in any way concerned or interested in the resolutions set out at Item No. 6 of this Notice.

The Board accordingly recommends the resolution set forth in Item No.6 of the Notice for the approval of the Members as Ordinary Resolution.

Item Nos. (7)

Your Company being a Government Company, the Directors on the Board are appointed by the Government of India (on behalf of the President of India).

The Ministry of Defence, Government of India vide its letter no. 8/ (32)/2019-D (Coord/ DDP) dated 14 Jul 2025 appointed Shri Rajeev Prakash (DIN: 08590061) as Part-Time Official Director (Government Nominee Director) on the Board of the Company with effect from 15 Jul 2025 and on such terms, conditions and tenure as may be determined by the President of India. In terms of the Companies Act, 2013 ("Act") and Articles of Association of the Company, he is liable to retire by rotation.

Pursuant to Section 161 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') and Articles 195 & 196 of the Articles of Association of the Company, Shri Rajeev Prakash, Government Nominee Director, has been appointed as Additional Director to hold office upto the date of the next Annual General Meeting.

Pursuant to Section 160 of the Act, the Company has received a notice

from a member proposing the candidature of Shri Rajeev Prakash for the office of Nominee Director of the Company.

Pursuant to Regulation 17(1C) of the SEBI Listing Regulations, public sector companies are required to obtain the approval of shareholders for appointment of a person on the Board of Directors at the next general meeting.

A brief resume of Shri Rajeev Prakash inter-alia, detailing his nature of expertise in specific functional areas and experience, disclosure of relationships between directors, directorship in listed entities and other companies, membership/ chairmanship of Committees, shareholding in the Company, and other particulars is annexed to this notice.

None of the Directors, Key Managerial Personnel of the Company or their relatives except Shri Rajeev Prakash, being the appointee, is in any way concerned or interested in the resolutions set out at Item No. 7 of this Notice.

The Board accordingly recommends the passing of the resolution as proposed at Item No.7 of the Notice as an Ordinary Resolution.

Item No. (8)

The Board of Directors of the Company approved the appointment of M/s. Bandyopadhyaya Bhaumik & Co., Cost Accountants as the Cost Auditor of the Company, to conduct the audit of the cost accounting records of the Company for the financial year ending 31st March, 2026 at an audit fee of ₹58,000/- plus taxes and out of pocket expenses incurred in connection with the said audit.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2026.

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board accordingly recommends the passing of the resolution as proposed at Item No.8 of the Notice as an Ordinary Resolution.

Item No. (9)

In accordance with the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), every listed company and certain other classes of companies, as prescribed under the Act, are required to annex a Secretarial Audit Report, issued by a Practising Company Secretary, to their Board's Report prepared under Section 134 of the Act.

Furthermore, pursuant to recent amendments to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the Company is required to undertake a Secretarial Audit through a peer-reviewed Practising Company Secretary. The Secretarial Auditor shall be appointed or re-appointed with the approval of shareholders at the Annual General Meeting, based on the recommendation of the Board of Directors. As per this framework, a firm can be appointed as Secretarial Auditor for not more than two terms of five (5) consecutive years.

In compliance with the above, the Company initiated the process for identifying a suitable Secretarial Auditor by issuing an open Expression of Interest (EOI) for the selection and appointment of a Secretarial Auditor for a term of five (5) years commencing from FY 2025-26. After evaluating the bids received, based on the defined eligibility and evaluation criteria outlined in the EOI, M/s. Mehta & Mehta, Company Secretaries emerged as the successful and qualifying bidder.

The evaluation process considered several parameters, including the background of the firm, experience in handling Secretarial Audits of large listed entities including Central Public Sector Enterprises (CPSEs), the competence of the leadership and audit team, as well as prior association with the Company and other similar-sized organisations.

M/s. Mehta & Mehta, Company Secretaries, a well-established firm founded in 1996 and headquartered in Mumbai with a pan-India presence, is currently serving as the Secretarial Auditors of the Company.

M/s. Mehta & Mehta, Company Secretaries is peer-reviewed and quality-reviewed by the Institute of Company Secretaries of India (ICSI) and is widely recognised for its expertise in corporate law, SEBI and RBI regulations, corporate governance, and compliance. With over 25 years of professional experience, the firm has conducted secretarial audits for various listed companies, CPSEs, and private sector entities.

After due evaluation, the Board of Directors of the Company, at its meeting held on 08th August, 2025, considered and recommended the proposal for appointment of M/s. Mehta & Mehta, Company Secretaries (Firm Regn. No.: P1996MH007500) as Secretarial Auditors of the Company for a term of five (5) consecutive financial years from FY 2025-26 to FY 2029-30, at a professional fee of ₹75,000 plus applicable taxes per annum for the first two (2) years (FY 2025-26 and FY 2026-27), and ₹1,00,000 plus applicable taxes per annum for the remaining three (3) years (FY 2027-28 to FY 2029-30), to the shareholders for their approval.

M/s. Mehta & Mehta, Company Secretaries, have confirmed that they are not disqualified from being appointed as Secretarial Auditors under the provisions of the Act and SEBI Listing Regulations. They have also declared that there is no conflict of interest and that they have not undertaken any prohibited non-secretarial audit assignments for the Company. The firm has provided its consent to act as Secretarial Auditors and confirmed that the proposed appointment, if approved, will be in compliance with all applicable provisions.

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board accordingly recommends the passing of the resolution as proposed at Item No. 9 of the Notice as an Ordinary Resolution.

By Order of the Board
Garden Reach Shipbuilders & Engineers Limited

Sd/-
(Sandeep Mahapatra)
Company Secretary and Compliance Officer
ICSI Membership No. ACS 10992

Date: 08th August, 2025
Place: Kolkata

Annexure

Additional information on Directors Retiring by Rotation / Seeking Appointment / Re-Appointment at the 109th AGM as required under Regulation 36(3) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India, is as under:

Shri Kamleshbhai Shashikantbhai Mirani (DIN: 11118795)	
Age	54
Date of Appointment	21 May 2025
Qualification(s)	Bachelor of Commerce, Saurashtra University, Rajkot (1983)
Brief Resume	<p>Shri Kamleshbhai Shashikantbhai Mirani (11118795), has been appointed as Independent Director of GRSE by the Department of Defence Production, Ministry of Defence, Government of India, with effect from 21 May 2025.</p> <p>Shri Mirani is an experienced professional with a strong background in public sector administration and real estate. With over seven years of experience in various public sector-related roles, he has demonstrated effective leadership and a deep commitment to social development. He has served in key advisory and leadership capacities across multiple government bodies, including the Rajkot Municipal Corporation, Gujarat State Road Transport Corporation, and the Telephone Advisory Committee (Govt. of India).</p> <p>As Chairman of both the Social Welfare Committee (2005-07) and the Standing Committee (2008-09) of the Rajkot Municipal Corporation, Shri Mirani played a pivotal role in designing and implementing initiatives aimed at uplifting underprivileged communities, enhancing social infrastructure, and improving local governance. His work also included oversight of critical financial and administrative operations, showcasing his capabilities in policy planning and resource management.</p> <p>In his earlier roles as an Advisory Committee Member (2000-04), he actively contributed to public grievance redressal mechanisms and offered strategic inputs to improve the efficiency of public services, particularly in transportation and telecommunication. Alongside his public service contributions, Shri Mirani is also engaged in the real estate sector, bringing his administrative insights to private enterprise. His professional journey reflects a blend of civic responsibility, governance experience, and business acumen.</p>
Experience and Expertise in specific functional areas, experience, skills and capabilities	Extensive experience in public sector administration, social infrastructure development, and local governance. Proven leadership in policy planning, resource management, and financial oversight. Skilled in public grievance redressal, civic engagement, and strategic advisory roles. Strong understanding of transportation, telecommunications, and real estate sectors, demonstrates a unique blend of governance expertise and business acumen.
Listed entities (other than GRSE) in which the person also holds the directorship and the membership/ chairmanship of Committees of the Board.	Nil
Resignation from the directorship of the listed companies in the past three years	Nil
Directorship in other unlisted companies and Membership / Chairmanship of Committees of such unlisted Companies	Nil
Terms and Conditions of Appointment along with details of remuneration	The Company, being a Government Company under the administrative control of the Ministry of Defence, the power to appoint Directors and the terms and conditions of such appointment vests with the Government of India. Independent Directors are paid sitting fees for attending the Board and Committee meetings, within the limits prescribed under the Companies Act.
Remuneration last drawn for the FY 2024-25	Not Applicable. Shri Kamleshbhai Shashikantbhai Mirani was appointed after the close of the financial year. Further, as an Independent Director, he is not entitled to any remuneration other than sitting fees for attending the meetings of the Board and its Committee.
Number of meetings of the Board attended during the FY 2024-25	Not Applicable. Shri Mirani was appointed after the close of the financial year.
Relationship with other Directors / Key Managerial Personnel	None
Number of shares held in the Company (self and as a beneficial owner)	Nil

Capt. Sunilkumar Panangadan, IN (Retd.), (DIN: 11193635)	
Age	53
Date of Appointment	14 Jul 2025
Qualification(s)	<ul style="list-style-type: none"> Bachelor of Technology (Mechanical) (B. Tech) from Jawaharlal Nehru University, New Delhi (1995) Masters of Technology (Systems and Controls Engineering) from IIT Mumbai (2003) Master of Science (Defence & Strategic Studies) (64th DSSC) from Madras University (2008)
Brief Resume	<p>Capt. P Sunilkumar, IN (Retd.), joined GRSE in September 2016 after rendering nearly 22 years of commissioned service in the Indian Navy. He assumed charge as Director (Corporate Planning & Personnel) of GRSE with effect from 14 July 2025.</p> <p>Prior to this appointment, he served as Chief General Manager and was the Unit In-Charge and Occupier of GRSE's Fitting Out Unit, a production facility responsible for outfitting all three P17A class ships and one Survey Vessel, with a workforce exceeding 2,000 personnel.</p> <p>Capt. P Sunilkumar began his tenure at GRSE as Additional General Manager (Materials), where he was responsible for end-to-end Supply Chain Management for the P17A project, as well as for Base and Depot spares and imports across all projects. On 15 March 2019, he took over as General Manager (Cost Estimation & Corporate Planning), where he played a pivotal role in formulating GRSE's Corporate Plan, Corporate Communication Strategy, and Business Strategy with a focus on exports, and was successful in bagging GRSE's maiden export order on competitive basis. He was then promoted to Chief General Manager in July 2022. As Head of Business Development, he has led GRSE's collaboration with global shipbuilders and pioneered the establishment of the 'Commercial Shipbuilding' department.</p> <p>During his tenure with Indian Navy, Capt. P Sunilkumar held various important operational and repair/maintenance appointments, including as head of engineering departments on board naval warships and in the Naval Dockyard.</p> <p>He is a certified Project Management Professional (PMP®), Certified International Supply Chain Professional (CISCP), and holds diplomas in Supply Chain Management and Human Resource Management. His interests include 'Personal Finance' (he has attained Level 3 in CFP®), and reading in the domains of strategy, motivation, and allied subjects.</p>
Experience and Expertise in specific functional areas	Capt. Sunilkumar brings rich expertise in corporate planning, personnel and project management, strategic sourcing, and supply chain operations. He has demonstrated strong capabilities in leadership, engineering management, cost estimation, export strategy, and cross-border collaboration. His experience spans both defence and commercial shipbuilding sectors, underpinned by his naval background and industry certifications.
Listed entities (other than GRSE) in which the person also holds the directorship and the membership/ chairmanship of Committees of the Board.	Nil
Resignation from the directorship of the listed companies in the past three years	Nil
Directorship in other unlisted companies and Membership / Chairmanship of Committees of such unlisted Companies	Nil
Terms and Conditions of Appointment along with details of remuneration	The Company, being a Government Company under the administrative control of the Ministry of Defence, the power to appoint Directors and the terms and conditions of such appointment vests with the Government of India.
Remuneration last drawn for the FY 2024-25	Not Applicable. Capt. P. Sunilkumar, IN (Retd.) was appointed after the close of the financial year.
Number of meetings of the Board attended during the FY 2024-25	Not Applicable. Capt. P. Sunilkumar, IN (Retd.) was appointed after the end of the financial year.
Relationship with other Directors / Key Managerial Personnel	None
Number of shares held in the Company (self and as a beneficial owner)	Nil

Shri Rajeev Prakash (DIN: 08590061)	
Age	56
Date of Appointment	15 Jul 2025
Qualification(s)	<ul style="list-style-type: none"> Indian Post & Telecommunication Accounts and Finance Service Officer (IP&TAFS) - 1995 batch B.A. Honors in English from St. Stephen's College, University of Delhi M.A. in Development Studies from the Institute of Social Studies, Erasmus University.
Brief Resume	<p>Shri Rajeev Prakash, Joint Secretary (Naval System), has been appointed as Part-Time Official Director (Government Nominee Director) of Garden Reach Shipbuilders & Engineers Limited (GRSE) by the Department of Defence Production, Ministry of Defence, Government of India, with effect from 15 Jul 2025.</p> <p>Shri Rajeev Prakash has a vast experience in the field of finance and held various important posts in the Government of India. Prior to joining as Joint Secretary (Naval System) in Department of Defence Production, Ministry of Defence, Govt. of India in June 2022, he has worked as Deputy Director General (Wireless Planning & Finance), Department of Telecommunication, Ministry of Communication. Further, he was also a Government Nominee Director on the Board of Bharat Broadband Network Limited for more than 2.5 years.</p> <p>Notably, Shri Rajeev Prakash previously also held the position of Part-Time Official Director (Government Nominee Director) of GRSE from 23 Jun 2022 to 10 Dec 2024.</p>
Experience and Expertise in specific functional areas	Extensive experience in administration, finance, telecommunications, and defence production. Proven expertise in policy formulation, wireless planning and finance, and public sector governance. He has demonstrated strong capabilities in leadership, policy formulation, planning and finance, and public sector governance.
Listed entities (other than GRSE) in which the person also holds the directorship and the membership/ chairmanship of Committees of the Board.	<ul style="list-style-type: none"> Government Nominee Director on the Board of BEML Limited from 08 Dec 2023 to 29 Apr 2024. Government Nominee Director on the Board of Bharat Electronics Limited from 10 Sep 2024 to 14 Jul 2025. Government Nominee Director on the Board of Mazagon Dock Shipbuilders Limited with effect from 10 Dec 2024.
Resignation from the directorship of the listed companies in the past three years	Nil
Directorship in other unlisted companies and Membership / Chairmanship of Committees of such unlisted Companies	<ul style="list-style-type: none"> Government Nominee Director on the Board of Troop Comforts Limited from 14 Sep 2022 to 14 Jul 2025. Government Nominee Director on the Board of Hindustan Shipyard Limited with effect from 19 May 2025.
Terms and Conditions of Appointment along with details of remuneration	The Company, being a Government Company under the administrative control of the Ministry of Defence, the power to appoint Directors and the terms and conditions of such appointment, vests with the Government of India. Accordingly, Shri Rajeev Prakash, Government Nominee Director, was appointed by the President of India and he holds office until further orders from the Government. He is not entitled to any remuneration or sitting fees.
Remuneration last drawn for the FY 2024-25	As a Government Nominee Director, appointed by the President of India and holding office until further orders from the Government, he is not entitled to any remuneration or sitting fees for attending meetings of the Board or its Committees.
Number of meetings of the Board attended during the FY 2024-25	Two (2) Meetings
Relationship with other Directors / Key Managerial Personnel	None
Number of shares held in the Company (self and as a beneficial owner)	Nil

Cdr. Shantanu Bose (DIN: 09631817)

Age	57 years
Date of Appointment	08 Jun 2022
Qualification(s)	<ul style="list-style-type: none"> B. Tech in Naval Architecture & Shipbuilding from Cochin University of Science and Technology Diploma from Indian Institute of Technology (IIT), Delhi Post Graduate Diploma in Management from Jamnalal Bajaj Institute of Management Studies University, Mumbai
Brief Resume	<p>Cdr. Shantanu Bose, IN (Retd.), joined GRSE in 2013 after rendering nearly 23 years of commissioned service in the Indian Navy. He assumed charge as Director (Shipbuilding) of the Company with effect from 08 June 2022. Cdr Bose is a qualified and experienced naval architect who has been in charge of several projects undertaken by GRSE since 2013. Prior to his current role, he served as General Manager (MW & P17A).</p> <p>Cdr. Shantanu Bose, IN (Retd.) brings deep technical insight and hands on experience in all aspects of Shipbuilding, project execution, and team leadership. He has been instrumental in the adoption of Integrated Construction (IC) methodology, utilization of the Virtual Reality Laboratory (VRL) for design, and implementation of Product Data Model (PDM) and Product Lifecycle Management (PLM) systems. His ongoing focus includes R&D initiatives, infrastructure modernization, and driving indigenization efforts. Under his leadership, the RBD Unit of GRSE has been significantly upgraded and is actively contributing to current construction programs</p> <p>He is also a member of the Institution of Engineers (India) and the Institution of Naval Architects</p>
Experience and Expertise in specific functional areas	Extensive experience in shipbuilding, naval architecture, integrated construction techniques, design innovation, and infrastructure planning and execution. Proven expertise in R&D initiatives and public sector governance, with demonstrated strengths in leadership, indigenization strategies, and team development within high-technology defence manufacturing environments.
Listed entities (other than GRSE) in which the person also holds the directorship and the membership/ chairmanship of Committees of the Board.	Nil
Resignation from the directorship of the listed companies in the past three years	Nil
Directorship in other unlisted companies and Membership / Chairmanship of Committees of such unlisted Companies	Nil
Terms and Conditions of Appointment along with details of remuneration	The Company, being a Government Company under the administrative control of the Ministry of Defence, the power to appoint Directors and the terms and conditions of such appointment vests with the Government of India.
Remuneration last drawn for the FY 2024-25	₹77.84 Lakh
Number of meetings of the Board attended during the FY 2024-25	Nine (9) Meetings
Relationship with other Directors / Key Managerial Personnel	None
Number of shares held in the Company (self and as a beneficial owner)	15 Equity Shares



Keel Laying Ceremony for the 1st & 2nd Next Generation Offshore Patrol Vessels, in the esteemed presence of Dr. C. V. Ananda Bose, Hon'ble Governor of West Bengal, on 5 Nov 2024



Commissioning of INS Arnala, the 1st Anti-Submarine Warfare Shallow Water Craft, in the distinguished presence of General Anil Chauhan, Chief of Defence Staff (CDS), on 18 Jun 2025



Commencement of Construction of the State-of-the-Art Acoustic Research Ship for the NPOL, in the presence of Dr. Sameer V Kamat, Secretary, Department of Defence, and Chairman, Defence Research and Development Organisation, on 16 Apr 2025



Delivery of INS Ikshak, the 3rd Survey Vessel (Large), to the Indian Navy, in the presence of Cmde Arvind Chari, CSO (Tech) (South), on 14 Aug 2025



Launching of INS Abhay, the 7th Anti-Submarine Warfare Shallow Water Craft by Smt. Sandhya Pendharkar, President, NWWA (Eastern Region), in the distinguished presence of Vice Admiral Rajesh Pendharkar, AVSM, Flag Officer Commanding-in-Chief, Eastern Naval Command, on 25 Oct 2024



Plate Cutting of the eight ship Multipurpose Vessels for M/s Carsten Rehder Schiffsmakler and Reederei GmbH & Co. KG, Germany, on 17 Apr 2025



गार्डन रीच शिपबिल्डर्स एण्ड इंजीनियर्स लिमिटेड
GARDEN REACH SHIPBUILDERS & ENGINEERS LIMITED

CIN L35111WB1934GOI007891

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