

17th
ANNUAL
REPORT
2019-2020



Sea Blue Shipyard Ltd.

(CIN: U35111KL2003PLC016677)

Registered Office:

1/212, V. P. Road, Azheekal. P.O,
Vypin, Kochi- 682508



CONTENTS

NOTICE TO MEMBERS	04
DIRECTOR'S REPORT	08
ADDENDUM TO BOARD REPORT	16
INDEPENDENT AUDITOR'S REPORT	24
FINANCIAL STATEMENTS	34
NOTES FORMING PART OF FINANCIAL STATEMENTS	35
ROUTE MAP	50
E-MAIL ID REGISTRATION FORM	51
FORM FOR UNCLAIMED DIVIDEND	53
ATTENDANCE SLIP AND PROXY FORM	55

Board of Directors

Sri. O C John	Chairman and Managing Director
Sri. E Tojen	Director (Operations)
Sri. Sadasivan Dileep Kumar	Non-Executive Director
Sri. George Kanippilly	Non-Executive Director
Dr. Raju C. Varghese	Non-Executive Director
Sri. R. Jeyaraman	Non-Executive Director
Sri. Ummer Moyin Kutty	Non-Executive Director
Sri. C. J. Jose, IAS	Independent Director
Dr. P. V. Chandramohan	Independent Director

Audit Committee

Sri. George Kanippilly	Chairman
Sri. C. J. Jose, IAS	Member
Dr. P. V. Chandramohan	Member

Nomination and Remuneration Committee

Sri. Sadasivan Dileep Kumar	Chairman
Sri. C. J. Jose, IAS	Member
Dr. P. V. Chandramohan	Member

Share Transfer Committee

Sri. O C John	Chairman
Sri. E Tojen	Member
Sri. George Kanippilly	Member

Company Secretary

Mr. Jofin John

Banker

State Bank of India, SME Branch

Statutory Auditor

M/s. A Mathew & Associates,
Practicing Chartered Accountants,
Ernakulam

Corporate Consultant

M/s. Satheesh & Remesh
Practicing Company Secretaries, Ernakulam

Legal Consultant

Adv. N N Sugunapalan
Chandrasekharan & Chandrasekhar Menon,
Advocates, Ernakulam

Notice of the 17th Annual General Meeting

Notice is hereby given that the **17th** Annual General Meeting (AGM) of the Members of Sea Blue Shipyard Ltd. will be held on **Saturday, the 12th day of December, 2020 at 11.00 A.M (IST) at Hotel Le Maritime, Goshree Junction, Ernakulam** to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March 2020, the Statement of Profit and Loss and the Cash Flow Statement for the financial year ended on that date, Annexure and Schedules thereto and the reports of the Auditors and the Board of Directors thereon.
2. To appoint a Director in place of Mr. Ummer Moyinkutty (DIN:07282120), who retires by rotation, eligible for re-appointment, who does not seek re-election.

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

“RESOLVED THAT Mr. Ummer Moyinkutty, Director (DIN:07282120) liable to retire by rotation, who doesn't seek re-election, be not appointed as Director of the Company.”

3. To appoint a Director in place of Mr. Sadasivan Dileep Kumar (DIN:03331938), who retires by rotation, eligible for re-appointment, who does not seek re-election.

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

“RESOLVED THAT Mr. Sadasivan Dileep Kumar, Director (DIN:03331938) liable to retire by rotation, who doesn't seek re-election, be not appointed as Director of the Company.”

4. Appointment of Auditor and Fixation of Remuneration:

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

“Resolved that pursuant to Section 139 and other applicable provisions of the Companies Act 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof) the retiring auditor M/s. A Mathew & Associates, Practicing Chartered Accountants, 43/2252A-1, First Floor, Kutty Sahib Building, SRM Road, Ernakulam- 682 018 be and is hereby appointed as the statutory auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 19th Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

5. To consider, and if thought fit, to pass, with or without modification, the following Resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152,160 and any other applicable provisions of the Companies Act,2013 and any rules made thereunder, Mr. Shaji Joseph (DIN:07063210) be and is hereby appointed as the Non-Executive Director of the Company, who shall be liable to retire by rotation.”

6. To consider, and if thought fit, to pass, with or without modification, the following Resolution as **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152,160 and any other applicable provisions of the Companies Act,2013 and any rules made thereunder, Mr. E V Ramachandran Nair (DIN: 08950906) be and is hereby appointed as the Non-Executive Director of the Company, who shall be liable to retire by rotation.”

**For and on behalf of the Board of Directors
For Sea Blue Shipyard Limited**

**Sd/-
O. C. John
Chairman & Managing Director
DIN: 00918513**

Place : Vypin

Date: 31.10.2020



NOTES

1. The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business to be transacted in the Annual General Meeting as set out in the Notice is annexed.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. The proxies, in order to be valid, must be received at the registered office of the Company not less than 48 hours before the commencement of the meeting.
3. Pursuant to Section 105 of the Companies Act, 2013, Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A proxy form (Form MGT 11) is annexed to this report.
4. Members/proxies are requested to bring their Annual Report copies, and the duly filled in attendance slips sent herewith be handed over at the entrance of the Meeting Hall.
5. While members holding shares in physical form may write to the Company for any changes pertaining to their address and email address, bank account details, mandates, nominations etc.
6. All documents relating to the notice has been kept in the registered office of the company for inspection of the members for their inspection during business hours.
7. Members are requested to register their e-mail addresses with the Company.
8. Notice have been sent through email to all members who have given their email id to the company. In case a members wishes to have a hard copy of the Annual Report can contact the registered office of the company or the Company Secretary of the Company for obtaining the copy.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**ITEM NO. 5**

Mr. Shaji Joseph (DIN:07063210) on recommendation by Nomination and Remuneration Committee, the Board proposes in its meeting on 31st October,2020 his appointment as a Non-Executive director of the Company in place of retiring director Mr. Ummer Moyin Kutty, who is subject to retirement by rotation.

Except Mr. Shaji Joseph, none of the Director(s) and/or Key Managerial Personnel(s) and their relative(s) is either directly or indirectly concerned or interested, financially or otherwise in the proposed resolution.

Your Directors recommends the said resolution, as an ordinary resolution, for your approval.

ITEM NO. 6

Mr. E V Ramachandran Nair (DIN: 08950906) on recommendation by Nomination and Remuneration Committee, the Board proposes in its meeting on 31st October,2020 his appointment as a Non-Executive director of the Company in place of retiring director Mr. Sadasivan Dileep Kumar, who is subject to retirement by rotation.

Except Mr. E V Ramachandran Nair, none of the Director(s) and/or Key Managerial Personnel(s) and their relative(s) is either directly or indirectly concerned or interested, financially or otherwise in the proposed resolution.

Your Directors recommends the said resolution, as an ordinary resolution, for your approval.

**For and on behalf of the Board of Directors
For Sea Blue Shipyard Limited**

**Sd/-
O. C. John
Chairman & Managing Director
DIN:00918513**

Place : Vypin

Date: 31.10.2020



Directors' Report for the Financial Year 2019-2020

Dear Members,

Your Directors have pleasure in presenting the 17th Annual Report of your company along with the audited financial statements for the year ended 31st March, 2020.

FINANCIAL HIGHLIGHTS

(in Rs.)

Particulars	Year ended 31/03/2020	Year ended 31/03/2019
Gross Income	15,65,86,409	4,20,94,113
Profit / (Loss) before taxation	5,92,26,746	(7,92,38,481)
Current Tax	NIL	NIL
Deferred Tax Asset / (Liability)	1,34,78,280	(1,46,38,773)
Net Profit /(Loss)	4,57,48,466	(6,45,99,708)

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

A) Financial Performance

The Company is engaged in the business of repairs and maintenance of ships, barges, dredgers, tugs, fishing trawlers, boats, other marine vessels, floating crafts and general engineering works. There has been no change in the business activity of the Company during the financial year ended 31st March, 2020.

During the financial year 2019-20, your Company has achieved a revenue of Rs.15.65 cr as against Rs.4.20 cr reported last year and posted a net profit of Rs 4.57 cr as against the loss of Rs 6.45 cr of previous year.

B) Ship Repair

During the year, we have undertaken repair works of 14 vessels of different types for Indian Navy, Indian Coast Guard and other public and private sector owners. Major works of Indian Navy include refit of FC Neelam, WB Ambuda and WB Pamba. Indian Coast Guard Vessels include ICGS Abhinav, ICGS Amartya and ICGS Vaibhav. The yard has also been aggressively participating in various ship repair tenders issued by Indian Navy and Indian Coast Guard.

We have improved the profile with Navy and our efforts on confidence building among clients have resulted in positive outlook. However, in order to sustain the performance of the yard in the long run, the yard needs high value orders for which capacity enhancement of the yard shall be done. The industry was showing a turnaround during the year 2019-20, but unfortunately the pandemic has been a big blow to the economy and our fourth quarter billing was affected.

During the current year (2020-21), we have a promising outlook as we are getting more enquiries from Defense Departments. Even though Q1 & Q2 performance has been affected badly due to devastating community spread of Covid-19, we hope to achieve revenue around Rs.20 Crores during the current year.

WEBLINK OF ANNUAL RETURN:

The Weblink of Annual Return of our Company is:
<https://www.seablueshipyard.com/investors/reports/>

DIVIDEND

As per third proviso of Section 123 (1) of Companies Act 2013 as amended vide Companies (Amendment) Act 2015, the Company is not eligible for declaration of dividend due to its accumulated losses, and unabsorbed depreciation despite posting a net profit of Rs. 4.57 cr during the financial year 2019-20. Also note that the Company is still under NPA status.

RESERVES

During the year under review, the company has transferred Rs. 4.57 cr to reserves and surplus account.

CAPITAL STRUCTURE

As on 31 Mar 2020, the authorized share capital and paid up equity share capital of the Company are Rs 40.00 Cr and Rs. 35.69 Cr respectively. During the year under review, there was no increase or decrease in the authorized and paid up share capital of the company.

DETAILS OF INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS:

The Company has put in place adequate internal financial controls with reference to the financial statements.

DIRECTORS

During the year under review, there were nine directors with two Executive Directors, five Non-executive Directors and two Independent Directors.

Mr. C J Jose, IAS, Independent Director of the company vacated his office on 16.03.2020 under section 167(I)(b) as he absented himself from all the meetings of the Board of Directors held during the period of twelve months with or without seeking leave of absence of the Board.

In terms of the provisions of Sub - Section (6) of Section 152 of the Companies Act 2013, one – third of the total number of Non-Executive Directors excluding Independent Directors, are liable to retire by rotation at every Annual General Meeting. Accordingly, Sri. Ummer Moyinkutty (DIN: 07282120) and Sri. Sadasivan Dileepkumar (DIN: 03331938) are retiring at the ensuing AGM.

NUMBER OF BOARD MEETINGS:

During the Financial Year 2019-20, 7 [Seven] meetings of the Board of Directors of the Company were held. The meetings were held on 25.05.2019, 10.08.2019, 28.09.2019, 07.12.2019, 28.01.2020, 22.02.2020 and 14.03.2020 respectively.

The composition and category of the Directors along with their attendance at Board Meetings as on 31st March, 2020 are given below:

SI No	Name of Director	Designation	No. of Board Meetings	
			Held	Attended
1	Sri. O C John	Chairman and Managing Director	7	7
2	Sri. E. Tojen	Executive Director	7	7
3	Sri. Sadasivan Dileep Kumar	Non- Executive Director	7	2
4	Dr. Raju Varghese	Non- Executive Director	7	6
5	Sri. George Kanippilly	Non- Executive Director	7	6
6	Sri. R. Jeyaraman	Non- Executive Director	7	4
7	Sri. Ummer Moyin Kutty	Non- Executive Director	7	5
8	Dr. P. V. Chandramohan	Independent Director	7	4
9	Sri. C. J. Jose, IAS*	Independent Director	7	0

* Vacated office as he was absent in all the meeting held during a period of one year.

DIRECTOR'S APPOINTMENT AND REMUNERATION

The policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters is in compliance with Section 178(3) of the Companies Act, 2013. The Board has constituted Nomination and Remuneration Committee for this purpose.

Pursuant to Rule 4 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has fixed a sitting fees of Rs.5,000 per meeting per Director (excluding Executive Directors) for attending the Board Meeting of the Company.

DETAILS OF DIRECTORS/KMP APPOINTED OR RESIGNED DURING THE YEAR

During the financial Year 2019-20, the Board of Directors in its meeting held on 07.12.2019 decided to appoint Mr. Jofin John as the Company Secretary of the Company w.e.f 09.12.2019 .

Further, Mr. C J Jose, IAS, Independent Director of the company vacated his office on 16.03.2020 as per the provisions of Companies Act, 2013 which was noted in the duly held meeting of the Board of Directors on 14.03.2020.

There are no other changes in the constitution of Board during the year under review.

DECLARATION BY INDEPENDENT DIRECTORS

Dr. P V Chandramohan and Sri. C J Jose are the Independent Directors of the Company during the financial year 2019-20. Mr. C.J Jose, IAS vacated his office under section 167 of the Companies Act,2013 as he consecutively absented from all meetings during the period of 12 months. Dr. P V Chandramohan have furnished declaration(s) to the Board that he meet the criteria of 'independent director' as provided in sub-section (6) of Section 149.

REMUNERATION POLICY

The Company follows a remuneration policy as approved by the Nomination and Remuneration Committee and the Board ensures that the composition of remuneration is reasonable to attract, retain and motivate the Directors, KMP and Senior Management employees.

STATUTORY AUDITOR

M/s. A Mathew & Associates, Practicing Chartered Accountants, 43/2252A-1, First Floor, Kutty Sahib Building, SRM Road, Ernakulam- 682 018, the Statutory Auditors of the Company, hold office till the conclusion of this Annual General Meeting and are eligible for re-appointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment. The Notes on standalone and consolidated financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

NOMINATION AND REMUNERATION COMMITTEE

As per the provisions of Section 178(1) of the Companies Act 2013 read with Rule 6 of the Companies (Meetings of Board & its Powers) Rules 2014, the Board has constituted Nomination and Remuneration Committee with the following Members:

SI.No.	Name of the Member	Designation
1.	Sri. Sadasivan Dileep Kumar / Non-Executive Director	Chairman
2.	Dr. P V Chandramohan / Independent Director	Member
3.	Sri. C J Jose / Independent Director	Member

The purpose of constituting the Nomination and Remuneration Committee is to formulate the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board, a policy relating to the remuneration for the Directors, Key Managerial Personnel and other Employees by striking a balance between the interest of the Company and the Shareholders.

Two meeting of the Nomination and Remuneration Committee was held on 10th August 2019 & 7th December 2019 in which Sri. Sadasivan Dileep Kumar and Dr. P V Chandramohan were present. Other meeting convened on 22nd February, 2020 postponed due to lack of quorum.

AUDIT COMMITTEE

The Board has constituted an Audit Committee with the following members:

SI.No.	Name of the Member	Designation
1.	Sri. George Kanippilly / Non-Executive Director	Chairman
2.	Dr. P V Chandramohan / Independent Director	Member
3.	Sri. C J Jose / Independent Director	Member

All the recommendations made by the Audit Committee were accepted by the Board during the period under review.

TERMS OF REFERENCE TO THE AUDIT COMMITTEE

- (i) the recommendation for appointment, remuneration and terms of appointment of auditors;
- (ii) review & monitor auditor's independence, performance and effectiveness of audit process;
- (iii) examination of the financial statement and the auditors' report thereon;
- (iv) approval or any subsequent modification of transactions of the company with related parties;
- (v) scrutiny of inter-corporate loans and investments;
- (vi) valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) evaluation of internal financial controls and risk management systems;
- (viii) monitoring the end use of funds raised through public offers and related matters.

Four meetings of the Audit Committee were held during the period under report on 01.06.2019, 10.08.2019, 07.12.2019 and 14.03.2020.

The attendance of members at the Audit Committee Meetings as on 31st March, 2020 is given below:

Sl.No	Name of the Member	Category of Member	No. of Audit Committee Meetings	
			Held	Attended
1.	Sri. George Kanippilly	Non-Executive Director	4	4
2.	Dr. P V Chandramohan	Independent Director	4	4
3.	Sri. C J Jose	Independent Director	4	-

Material changes and commitments affecting financial position of the Company, occurring after balance sheet date:

There has been no material change between the end of the Financial Year and date of this report.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits and as such no amount of principal or interest was outstanding as on the date of Balance Sheet.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186:

The Information required to be disclosed under Section 134(3) (h) of Companies Act 2013 is Nil for the Financial Year 2019-20. Therefore, Form AOC -2 is not attached with the Board's Report as required under Section 134(3)(h) of Companies Act 2013 read with Rule 8(2) of Companies (Accounts) Rules 2014.

RISK MANAGEMENT POLICY

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

BOARD EVALUATION

Pursuant to Companies Act, 2013 a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. Similarly, the evaluation of all the directors and the Board as a whole has to be conducted based on the criteria and framework adopted by the Board. The Independent Directors in the Nomination and Remuneration Committee meeting held on 10th August 2019 reviewed the performance of non-independent directors and the Board as a whole.

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) of the Companies Act 2013 read with rule 12(1) of the Companies (Management & Administration) Rules 2014, the extracts of Annual Return in the prescribed form MGT-9 for the Financial Year 2019-20 has been enclosed with this report.

DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134 (3) (c) of the Companies Act, 2013:

- a) in the preparation of the annual accounts for the financial year ended 31st March 2020, the applicable accounting standards and the instructions provided under Schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2020 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

EXPLANATION FOR AUDITOR'S QUALIFIED OPINION ARE GIVEN BELOW IN THE RESPECTIVE ORDER:

1. The total fund based loan outstanding as on 31.03.2018 was Rs. 14,13,39,885/-. However, the outstanding as on 31.03.2020 was Rs.6,36,01,898/-. Despite the decrease in the outstanding the unapplied interest worked out by SBI and advised to auditors have been substantially higher reflecting interest rate upto 28%, which is usurious. We have taken up the matter with SBI locally as well as with Head Quarters Mumbai for the unfair



estimate. As the Bank has not debited the amount to our account or recognized as income at their end, we consider that it is not prudent to absorb the amount as expense in our P/L Account.

The SBI officials mentioned that the account is now due for amnesty scheme which may be offered in the month of September,2020 and under this scheme the Bank will waive off interest, penal interest etc on the NPA account, subject to agreeing to the OTS terms.

2. The interest and penalty has not been provided as we haven't received any notice for the payment of interest and penalty from the authorities. Besides we are expecting amnesty scheme shortly with waiver of interest and penalty.
3. The total trade long overdue receivables as on 31.03.2020 is amounting to Rs. 1,36,55,336/-. We have made prudential provision for Rs. 34,13,834/- during the year 2019-20, being 25% of such long outstanding receivables. Majority of our debtors are from Government Departments. We wrote to them for confirmation. Normally they won't respond within a reasonable time.
4. Capital work-in progress such as wharf, slipway, Gantry crane, skid etc have not been completed due to shortage of funds. The current condition of the capital work in progress is good and can be completed and commissioned when resource position improves.
5. Since it is not quantifiable, we have not given any provisions in respect of qualifications nos.1&2, at this stage.

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

Information required under Section 134(3)(m) of Companies Act 2013 read with rule no 8 (3) read with the Companies (Accounts) Rules 2014 pertaining to conservation of energy, technology absorption and foreign earning and outgo are as under:

Conservation of Energy: Adequate steps are taken to conserve energy.

Technology absorption: Not applicable

Foreign Exchange Earnings/ Outgo:

Earnings - Nil

Outgo - Nil

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Personnel and industrial relations were cordial and satisfactory during the year under review. There were no employees of the company who have drawn remuneration in excess of the limits set out under Section 197(12) of the Companies Act,2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.

3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Change in the nature of the business of the company.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there were no cases reported to the Internal Complaints Committee pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and also no frauds were reported by the Auditors of the Company.

UNSECURED LOANS

The unsecured loans amount to Rs. 1,04,11,656/- during the year under review.

Opening Balance	:	Rs. 10,06,528/-
Received from	(I) Dr. Raju Varghese	: Rs. 1,52,10,128/-
	(ii) Mr. R Jeyaraman	: Rs. 10,50,000/-
Repayment made to	(i) Dr. Raju Varghese	: Rs. 66,55,880/-
	(ii) Mr. R Jeyaraman	: Rs. 10,50,000/-
	(iii) Mr. O C John	: Rs. 1,20,000/-
Interest Paid to	(I) Dr. Raju Varghese	: Rs. 9,70,880/-
	(ii) Mr. R Jeyaraman	: Rs. 21,541/-
TDS Paid	(I) Dr. Raju Varghese	: Rs. 1,07,875/-
	(ii) Mr. R Jeyaraman	: Rs. 2,393/-
Net Balance	:	Rs. 1,04,11,656/-

ACKNOWLEDGMENT

Your Directors are grateful to the Company's valued shareholders for their un-stinted support and patronage and look forward to receive the same in equal measures in the years to come. The Board members also express their indebtedness to bankers and other stakeholders for their cooperation and continued support. Your Directors also wish to place on record their deep sense of appreciation for the committed services by all employees of the Company.

For and on behalf of the Board of Directors

Sd/-

O C John

Managing Director

DIN: 00918513

Sd/-

E. Tojen

Director

DIN: 01562904

Place: Vypin

Date: 26.06. 2020



Addendum to Board Report

NCLT Case

Some of our shareholders represented by Mr. Tharayil Porinchu John & others filed a petition under proviso to Section 244(1) of the Companies Act, 2013 read with Sections 241 and 242 of the Companies Act, 2013 & Rule 83 A of the National Company Law Tribunal Rules, 2016 regarding Oppression and Mismanagement before the Hon'ble National Company Law Tribunal (NCLT), Kochi Bench on 16th November, 2019. The grounds of the Case as per the petition are:-

- a. Company's assets are not properly safeguarded.
- b. Non-observance of certain accounting standards in the preparation of Financial Statements.
- c. Operational Loss Trends and Net Worth Erosion during 2014-19
- d. Failure to service debts or delay in restructuring
- e. Not complied with many of the legal provision of the Company's Act, 2013.

The petitioners claiming support of 68 shareholders, but below the minimum requisitions of 10% of number of shareholders.

The case was posted for hearing on 2-3 occasions but due to lockdown, the hearing was postponed.

NCLT Case Judgment

The NCLT having gone with the allegations and heard both parties, have passed the judgment on 20th October 2020, that the petition has no merits and hence dismissed.

The Petition dismissal grounds are given under as follows:

1. It is abundantly clear that the petitioners have merely filed a frivolous petition
2. The Bench found that the petition filed by the petitioners is not maintainable under the Companies Act, 2013
3. The issues framed by the petitioners have gone against them.
4. The Bench does not find any merit in this petition.

Place: Vypeen

Date: 31.10.2020

Form No. MGT 9 Extract of Annual Return

as on financial year ended on 31.03.2020

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

I. REGISTRATION & OTHER DETAILS:

i	CIN	U35111KL2003PLC016677
ii	Registration Date	08-12-2003
iii	Name of the Company	SEA BLUE SHIPYARD LIMITED
iv	Category/Sub-category of the Company	Indian Non-Government Company
v	Address of the Registered office & contact details	1/212, V. P. Road, Azheekal P.O, Vypin- 682508, Ernakulam, Kerala, India
vi	Whether listed company	Unlisted
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Sale of service (Repair works of Ships)	35119	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	NIL	NIL	NIL	NIL	NIL

**IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	19,91,700	19,91,700	5.58	0	19,91,700	19,91,700	5.58	0.00
b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0	0
c) Bodies Corporates	0	0	0	0.00	0	0	0	0	0
d) Bank/Fl	0	0	0	0.00	0	0	0	0	0
e) Any other	0	0	0	0.00	0	0	0	0	0
SUB TOTAL: (A) (1)	0	19,91,700	19,91,700	5.58	0.00	19,91,700	19,91,700	5.58	0.00
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0	0
b) Other Individuals	0	0	0	0.00	0	0	0	0	0
c) Bodies Corp.	0	0	0	0.00	0	0	0	0	0
d) Banks/Fl	0	0	0	0.00	0	0	0	0	0
e) Any other...	0	0	0	0.00	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	0	19,91,700	19,91,700	5.58	0.00	19,91,700	19,91,700	5.58	0.00
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/Fl	0	0	0	0	0	0	0	0	0
c) Central govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0

SUB TOTAL (B)(1):									
(2) Non Institutions									
a) Bodies corporates	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
l) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	1,67,45,387	1,67,45,387	46.9072	14,571	1,67,30,816	1,67,45,387	46.9072	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	1,69,61,860	1,69,61,860	47.5136	1,52,600	1,68,09,260	1,69,61,860	47.5136	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(2):	0	3,37,07,247	3,37,07,247	94.4208	1,67,171	3,37,07,247	3,37,07,247	94.4208	
Total Public Shareholding (B)= (B)(1)+(B)(2)	0	3,37,07,247	3,37,07,247	94.4208	1,67,171	3,37,07,247	3,37,07,247	94.4208	
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	3,56,98,947	3,56,98,947	100	1,67,171	3,56,98,947	3,56,98,947	100	

**V. SHARE HOLDING OF PROMOTERS**

SI No.	Shareholders Name	Shareholding at the beginnings of the year			Shareholding at the end of the year			% change in holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	O. C. JOHN	10,11,500	2.83	NIL	10,11,500	2.83	NIL	0
2	TOJEN. E	5,32,000	1.49	NIL	5,32,000	1.49	NIL	NIL
3	CAPT. MONSON AUGUSTINE	4,48,200	1.26	NIL	4,48,200	1.26	NIL	NIL
	Total	1991700	5.58	NIL	19,91,700	5.58	NIL	0

VI. CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

	No. of Shares	% of total shares of the company
At the beginning of the year	19,91,700	5.58
Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NIL	
At the end of the year	19,91,700	5.58

VII. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

SI. No.	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	58,22,700	16.31		
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	Change in top 10 shareholders due to change in Directorship			
	At the end of the year (or on the date of separation, if separated during the year)	58,22,700	16.31		

VIII. Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr. O C John	10,11,500	2.83	10,11,500	2.83
2	Mr. E Tojen	5,32,000	1.49	5,32,000	1.49
3	Mr. George Kanippilly	3,10,000	0.87	3,10,000	0.87
4	Mr. Sadasivan Dileep Kumar	5,48,000	1.53	5,48,000	1.53
5	Dr. Raju Varghese	5,00,000	1.40	5,00,000	1.40
6	Dr. P V Chandramohan	0	0.00	0	0.00
7	Mr. C J Jose, IAS	0	0.00	0	0.00
8	Mr. Ummer Moyin Kutty	4,00,000	1.12	4,00,000	1.12
9	Mr. R. Jeyaraman	67,600	0.19	67,600	0.19
10	Mr. Jiliah G Kanippilly	5,99,700	1.68	5,99,700	1.68
11	Mr. Jofin John	0	0.00	0	0.00

IX. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (in Rs)				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
I) Principal Amount	11,45,48,158.00	10,06,528.00	-	11,55,54,686.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	11,45,48,158.00	10,06,528.00	-	11,55,54,686.00
Change in Indebtedness				
Additions	-	94,05,128.00	-	94,05,128.00
Reduction	4,37,98,281.00	-	-	4,37,98,281.00
Net Change	4,37,98,281.00	94,05,128.00	-	(3,43,93,153)
Indebtedness at the end of the financial year				
I) Principal Amount	7,07,49,877.00	1,04,11,656.00	-	8,11,61,533.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	7,07,49,877.00	1,04,11,656.00	-	8,11,61,533.00

**A. Remuneration to Managing Director, Whole time director and/or Manager:**

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	Gross salary	O. C JOHN	E TOJEN	JILISH G KANIPPILLY	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	9,60,000.00	7,20,000.00	-	16,80,000.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	
2	Stock option	-	-	-	
3	Sweat Equity	-	-	-	
4	Commission as % of profit	-	-	-	
	others	-	-	-	
5	Others, please specify - HRA	-	1,68,000.00	-	1,68,000.00
	Total (A)	9,60,000.00	8,88,000.00		18,48,000.00
	Ceiling as per the Act				

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors					Total Amount
1	Independent Directors	C J Jose	Dr. P V Chandramohan				
	(a) Fee for attending board committee	Nil	20,000.00				20,000.00
	(b) Commission	-	-				
	(c) Others, please specify	-	-				
	Total (1)						
2	Other Non Executive Directors	Raju Varghese C	Sadasivan Dileepkumar	George Kanippilly	R Jeyaraman	Ummer Moyin Kuttu	
	(a) Fee for attending	30,000.00	10,000.00	30,000.00	20,000.00	25,000.00	1,15,000.00
	(b) Commission		-	-	-	-	
	(c) Others, please specify	-	-	-	-	-	-
	Total (2)						
	Total (B)=(1+2)						
	Total Managerial Remuneration						1,35,000.00
	Overall Ceiling as per the Act						

C. Remuneration to key managerial personnel other than MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		1,73,226.00	NIL	1,73,226.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		-	-	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		-	-	
2	Stock Option		-	-	
3	Sweat Equity		-	-	
4	Commission		-	-	
	as % of profit		-	-	
	others, specify		-	-	
5	Others, please specify		-	-	
	Total		1,73,226.00	NIL	1,73,226.00

X. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY: Company's financial year starting from 1st April 2019 to 31st March 2020					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					



Independent Auditor's Report

To The Members of Sea Blue Shipyard Limited Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of M/s Sea Blue Shipyard Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss 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.

In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in the "Basis for Qualified Opinion" paragraph, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its Profit and Cash Flows for the year ended on that date.

Basis for Qualified Opinion

- 1) The banking facilities of the company with State Bank of India have been classified as Non-Performing Asset by the bank effective 04 July 2017 and Company has not recorded the interest accrued on the various loan accounts with State Bank of India since that date. As explained to us, management has estimated the interest due on the various facilities during the period 04-07-2017 to 31-03-2020 as disclosed in the notes on accounts at Rs 4,24,22,383/- (Rs 3,11,92,306/- until 31.03.2019 and Rs 1,12,30,077/- for the financial year 2019-20) which is not recorded in the books of accounts in the respective years as the management is negotiating with the bank for a restructuring of the facilities with a full waiver of the interest. The accrued interest on the various facilities as per a statement from the bank as of 31.03.2019 was at Rs 5,24,49,276/- which is explained as refuted by the management as it include penal interest and the interest rates applied are not as per the sanction letter. Bank has not provided similar details of interest, if any, accrued for the financial year 2019-2020. Therefore, we are not able to report the liability towards interest accrued and payable in respect of the bank facilities since the date of NPA till the year end 31.03.2020 and as to how much of it relates to current reporting period and previous reporting periods.
- 2) Material amounts relating to current and previous reporting periods are outstanding under Provision for Income Tax, Provident Fund and Employees State Insurance Payable, TDS Payable and GST Payable. No Provision for interest payable and penalty, if any, has been made in the accounts of the Company.
- 3) Confirmation of Balances has not been received in respect of Trade Receivables and there are long outstanding balances under Trade receivables. Management has made a provision of Rs 34,13,834/- during the year 2019-2020, being 25% of such long outstanding receivables on a prudent basis. We relied on management's representation that the provision is adequate as we are not able to ascertain the recoverability of debts or whether the provision made by the Company is adequate.
- 4) Company has spent an amount of Rs 13,36,21,499/- towards capital work in progress until 31.3.2020, towards construction of slipway, skid, building etc. as provided in Note-10 to the Financial Statements. Most of the amounts spent towards capital work in progress are carried forward from financial 2013-2014 and management has explained that the works got delayed due to funds shortage, hence not capitalized or subjected to depreciation. We are not able to ascertain the current condition of the capital work in progress so as to ascertain whether the same is in good condition or in use or any impairment needed.

- 5) We are not able to quantify the effect of Qualification No 1 to No 4 on the Financial Statements, if any, at present.

We conducted our audit in accordance with the standards on auditing specified under section 143(10) of the Companies Act, 2013. 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 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 Qualified Opinion.

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.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards 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, those were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 is 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 Companies Act, 2013, 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 disclosures 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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"**, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) (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) Except for the effect of matters described in the "Basis for Qualified Opinion" paragraph above, 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, and the Cash flow statement dealt with by this report are in agreement with the books of account;
 - (d) Except for the effect of matters described in the "Basis for Qualified Opinion" paragraph above, 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;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - (g) 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;
 - a. The Company did not have any pending litigations which has an impact on its financial position in its financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For

For A Mathew & Associates

Chartered Accountants (Registration No.013144S)

Sd-

Abraham Mathew

Proprietor, (Membership No. 201884)

43/2252A-1, SRM Road, Ernakulam-18, dated 26 June 2020

UDIN: 20201884AAAABS3678



Annexure-A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of Sea Blue Shipyard Limited of even date)

We report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) As informed to us, all the fixed assets were physically verified by the management during the year, however, we have not been provided with the details of such verification or findings. As informed by the management, no material discrepancies were noticed on such verification.
(c) The title deeds of immovable properties are held in the name of the Company.
- (ii) As informed to us, inventory has been physically verified by the management during the year at regular intervals. Inventory is based on valuation made and certified by the management. As informed by the management, no material discrepancies were noticed on such verification.
- (iii) According to the information and explanations given to us, the Company has not granted any secured or unsecured loans to companies, firms or Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, (iii) (a) (b) and (c) of the Companies (Auditors Report) Order, 2016 are not applicable to the company.
- (iv) Company has not granted any loans, guarantees and security
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3(v) of the order are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the company
- (vii) (a) Company is not regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Goods and Service Tax, Value Added Tax and other material statutory dues applicable with the appropriate authorities.

(b) The details of arrears of undisputed statutory dues for a period of more than six months from the date they become payable as on 31 March 2020 are as follows,

Tax Deducted at Source	Rs 10,11,886
Income Tax Self-Assessment Tax Assessment Year 2016-2017:	Rs 40,56,308
GST Payable	Rs 14,00,312
Employees State Insurance:	Rs 14,98,367
Employees Provident Fund:	Rs 21,22,470
Professional Tax Employees:	Rs 2,17,889
Value Added Tax- State VAT:	Rs 98,809

(c) According to the information and explanations given to us, there were no amounts payable in respect of Income Tax, Sales Tax, Service Tax, Value Added Tax, GST, Customs Duty, Excise Duty or cess which have not been deposited on account of any dispute.

- (viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has defaulted in repayment of dues to financial institution and banks as follows which is due for payment,
- Federal Bank Limited Term Loan - Rs 4,27,902/-
 - State Bank of India - Term Loan – Rs 67,20,077 plus accrued interest during NPA period not ascertained
 - State Bank of India - Working Capital Facilities Balance outstanding as of 31.3.2020 Rs 6,36,01,898/- plus interest accrued during NPA period not ascertained/-. The facilities are classified as NPA by the bank effective July 2017.
- (ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company
- (x) According to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year
- (xi) In our opinion and according to the information and explanations give to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In Our opinion and according to the information and explanations given to us, the Company is in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion, and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or person connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For

A Mathew & Associates

Chartered Accountants

(Registration No.013144S)

Sd/-

Abraham Mathew

Proprietor

(Membership No. 201884)

43/2252A-1, SRM Road, Ernakulam-18, dated 26 June 2020

UDIN: 20201884AAAABS3678



Annexure - B to the Auditors' Report

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of Sea Blue Shipyard Limited of even date)

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 Sea Blue Shipyard Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The board of directors of the Company 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, 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, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures

that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, 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 subject to the following (a) Internal control system needs to be strengthened with respect to the recording of purchases of material and store, consumables on a timely manner and its issuance to various jobs as we have observed that the financial system and the stores are not fully integrated with proper inter face, thus resulting in delay in recording and reconciliation of issues (b) company may go for a suitable ERP solution covering all aspects of business including job costing and proper back up procedures must be introduced

For

A Mathew & Associates

Chartered Accountants
(Registration No.013144S)

Sd/-

Abraham Mathew

Proprietor

(Membership No. 201884)

43/2252A-1, SRM Road, Ernakulam-18, dated 26 June 2020

UDIN: 20201884AAAABS3678

Balance Sheet as at 31 March 2020

Particulars	Notes	Current Year (Amount in Rupees)	Previous Year
I. EQUITY AND LIABILITIES			
(1) SHARE HOLDERS FUNDS			
(a) Share Capital	2	35,69,89,470	35,69,89,470
(b) Reserves and Surplus	3	(4,01,32,613)	(8,58,81,078)
(2) share application money pending allotments		22,500	
(3) NON-CURRENT LIABILITIES			
(a) Long-Term Provisions	4	20,05,185	--
(3) CURRENT LIABILITIES			
(a) Short-Term Borrowings	5	7,40,82,083	10,68,47,940
(b) Trade Payables	6	1,39,64,440	2,14,09,766
(c) Other Current Liabilities	7	3,00,52,613	5,26,15,459
(d) Short-Term Provisions	8	40,56,308	40,56,308
TOTAL		44,10,39,985	45,60,37,865
II. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible Assets	9	20,36,30,264	20,52,51,483
(ii) Capital work in progress	10	13,36,21,499	13,36,21,499
(b) Long-Term Loans and Advances	11	30,08,355	31,63,535
(c) Other Non Current Assets	12	46,41,196	24,47,550
(d) Deferred Tax Assets Net		1,15,12,283	2,49,90,563
(2) CURRENT ASSETS			
(a) Inventories	13	1,06,13,302	1,13,02,361
(b) Trade receivables	14	5,55,42,285	4,88,17,005
(c) Cash and Cash Equivalents	15	22,41,068	21,63,166
(d) Short Term Loans and Advances	16	68,40,972	1,38,74,873
(e) Other Current Assets	17	93,88,761	1,04,05,830
Total		44,10,39,985	45,60,37,865

Notes on Accounts & Significant Accounting policies

1

As per our report of even date attached

O. C John

Managing Director, DIN: 00918513

E. Tojen

Wholetime Director, DIN: 01562904

Jofin John

Company Secretary

Jilish George Kanippilly

Chief Financial Officer

Dated : 26 June 2020, Ernakulam.

For **A Mathew & Associates**

Chartered Accountants, Regn No: 013144S

Abraham Mathew (M No: 201884)

Proprietor

UDIN: 20201884AAAABS3678

Cash Flow Statement for the year ended 31 March 2020

	Current Year	Previous Year
I Cash flows from operating activities		
Net profit before taxation, and extraordinary item	5,43,57,450	-7,92,38,481
Adjustments for :		
Depreciation	17,79,299	22,21,905
Interest income	-6,55,843	-4,88,786
Interest expense	18,73,377	26,91,358
Operating profit before working capital changes	5,73,54,283	-7,48,14,004
Working Capital Changes		
(Increase) / Decrease in Trade Reivables	-67,25,280	6,66,37,430
Decrease / (Increase) in Short Term Advances	70,33,901	-11,54,579
Decrease / (Increase) in Other Current Assets	10,17,069	-16,41,043
Decrease / (Increase) in inventories	6,89,059	3,84,16,804
Increase / (Decrease) in Trade Creditors	-74,45,326	-24,27,693
Increase / (Decrease) in Other Current Liabilities	-2,25,62,846	1,46,68,052
Cash generated from operations	2,93,60,860	3,96,84,966
Income taxes paid	0	0
Net cash from operating activities before extra ordinary Items	2,93,60,860	3,96,84,966
Add: Extra Ordinary items (Refer Note 1-15)	48,69,296	0
Net cash from operating activities	3,42,30,156	3,96,84,966
II Cash flows from investing activities		
Purchase/Construction of Fixed Assets, CWIP	-1,58,080	-64,767
Interest received	6,55,843	4,88,786
Fixed Deposits with Long Term Tenure	-21,63,688	60,50,546
Decrease / (Increase) in Other Non Current Assets	-29,960	0
Net cash from investing activities	-16,95,885	64,74,565
III Cash flows from financing activities		
Proceeds from issuance of share capital	22,500	69,89,470
Proceeds from long-term borrowings	-	-1,28,32,001
Proceeds from long-term loans and advances	1,55,180	85,199
Proceeds/(repayment) of short-term borrowings	-3,27,65,857	-3,64,45,473
Increase/(Decrease) in Long Term Provision	20,05,185	-
Interest paid	18,73,377	-26,91,358
Net cash used in financing activities	-3,24,56,369	-4,48,94,163
IV Net increase in cash and cash equivalents	77,902	12,65,367
Cash and cash equivalents at beginning of period	21,63,166	8,97,799
V Cash and cash equivalents at end of period	22,41,068	21,63,166

Notes on Accounts & Significant Accounting policies

1

As per our report of even date attached

O. C John

Managing Director, DIN: 00918513

E. Tojen

Wholetime Director, DIN: 01562904

Jofin John

Company Secretary

Jilish George Kanippilly

Chief Financial Officer

Dated : 26 June 2020, Ernakulam.

For **A Mathew & Associates**

Chartered Accountants, Regn No: 013144S

Abraham Mathew (M No: 201884)

Proprietor

UDIN: 20201884AAAABS3678

Profit and Loss Statement for the year ended 31st March 2020

Particulars	Notes	Current Year (Amount in Rupees)	Previous Year
I. Revenue from Operations	18	15,53,08,741	3,96,54,521
II. Other Income	19	12,77,668	24,39,592
III Total Revenue (I+II)		<u>15,65,86,409</u>	<u>4,20,94,113</u>
IV. Expenses:			
Cost of material consumed	20	3,22,30,270	5,19,61,267
Purchase of Stock-in-Trade		-	-
Changes in Inventories of Work in Progress	21	- 23,93,341	74,85,139
Employee Benefits	22	2,71,30,999	2,48,78,058
Financial costs	23	18,73,377	26,91,358
Depreciation and Amortization expense	9	17,79,299	22,21,905
Other expenses	24	4,16,08,356	3,20,94,868
	Total Expenses	<u>10,22,28,959</u>	<u>12,13,32,594</u>
V. Profit before exceptional and extraordinary items and tax (III- IV)		5,43,57,450	-7,92,38,481
VI. Exceptional items - Income			
VII. Profit before Extraordinary Items and Tax (V- VI)		5,43,57,450	-7,92,38,481
VIII. Extra Ordinary Item- Income	1	48,69,296	
IX. Profit Before Tax (VII- VIII)		5,92,26,746	-7,92,38,481
X. Tax expense:			
(1) Current Tax		0	0
(2) Deferred Tax		1,34,78,280	-1,46,38,773
XI. Profit/(Loss) for the period from continuing operations (IX- X)		4,57,48,466	-6,45,99,708
XII. Profit/Loss from Discontinuing Operations		Nil	Nil
XIII. Tax Expense of Discontinuing Operations		Nil	Nil
XIV. Profit/(Loss) from Discontinuing Operations (after tax) (XII- XIII)		0	0
XV. Profit/(Loss) for the period (XI +XIV)		4,57,48,466	-64,599,708
XVI. Earning Per Share :			
(1) Basic		1.28	(1.81)
(2) Diluted		1.28	(1.81)

Notes on Accounts & Significant Accounting policies 1

As per our report of even date attached

O. C John

Managing Director, DIN: 00918513

E. Tojen

Wholetime Director, DIN: 01562904

Jofin John

Company Secretary

Jilish George Kanippilly

Chief Financial Officer

Dated : 26 June 2020, Ernakulam.

For **A Mathew & Associates**

Chartered Accountants, Regn No: 013144S

Abraham Mathew (M No: 201884)

Proprietor

UDIN: 20201884AAAABS3678

Note-1: Notes on Accounts and Significant Accounting Policies attached to and forming part of the financial statements for the year ended 31.03.2020

- 1) **Corporate information:** Sea Blue Shipyard Limited is a Public Limited Company registered on 08 December 2003 with the Registrar of Companies Kerala, vide Corporate Identity Number: CIN: U35111KL2003PLC016677. The Company is engaged in the business of ship building and ship repairing activities.
- 2) **Significant Accounting Policies**
 - a) **Basis of accounting and preparation of financial statements:** The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
 - b) **Use of estimates:** The preparation of financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialized.
 - c) **Inventories and work in progress:** Inventory of raw materials, consumables and spares are valued at the lower of cost determined on weighted average basis or net realizable value after providing for obsolescence and other losses, where considered necessary on First in First Out Method. Cost includes all charges in bringing the goods to the point of sale. Work in progress is calculated as per the cost incurred over and above the cost proportionate to the revenue recognized.
 - d) **Cash and cash equivalents:** Cash comprises cash on hand and balance with banks.
 - e) **Tangible Fixed Assets & Depreciation:** Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. Depreciation on tangible assets has been provided under written down value method over the useful life of the assets estimated by the management which is in line with the rates prescribed in Schedule II to the Companies Act, 2013. Depreciation for assets purchased/sold during the period is proportionately charged. No review of useful life has been made during the year. Capital work in Progress as per Note 10 to the Balance Sheet is not capitalized as the assets under construction are not completed so as to use for productive revenue generation. Management is of the opinion that there is no impairment on such capital work in progress that needs to be provided.



- f) **Revenue recognition:** Companies major business activity is ship building and repairing and service works. There are sale of goods made during the year. All the service jobs are supported by contracts and agreed work schedule and payment terms. Revenue in respect of contract jobs is recognized on percentage completion basis. Revenue in respect of service jobs are recognized based on the work obligations and based on the cost and stages of completion. Other income is recognized on accrual basis.
- g) **Impairment of assets:** The carrying values of assets at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. No impairment loss is recognized during the Financial Year except for the provision made in respect of trade receivables as per Note-14 to the Balance Sheet.
- h) **Provisions, Contingent Liabilities and Contingent Assets:** The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for contingent liability is made when there is a possible obligation that may but probably will not, require an outflow of resources. When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognized nor disclosed in the financial statements.
- i) **Leases:** Lease arrangements where the risks and rewards incident to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rent under operating leases are recognized in the statement of profit and loss account on straight line basis.
- j) **Operating Cycle:** Based on the nature of products/ activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.
- k) **Non-Current Investments** are valued at cost. Provision for diminution in value is made only if such decline is other than temporary in the opinion of the managements. There are no such investments held by the company.
- l) **Borrowing Costs:** in respect of company's working capital facilities and term loan has been recognized as an expense in the period in which they are incurred except for the interest during the period such facilities became NPA because the management is negotiating with the banks for a waiver of interest and restructuring of loan.
- m) There is no foreign exchange transactions entered into by the company during the year.
- n) **Employee Retirement benefits:** Gratuity liability under the payment of Gratuity Act is computed as 15 days salary , for every completed year of service or part thereof in excess of six months and its payable on retirement/termination/resignation. Leave Salary is accounted on accrual basis on the basis of Company's own computation. As the Company was accounting the gratuity on payment basis till 31.03.2019, the liability towards gratuity has been provided till 31.03.2020 recognizing the obligation including the

previous periods as an expense in the profit and loss account. The accounting policy adopted by the Company effective 31.3.2020 is to account for the liability under the payment of Gratuity Act on the basis of actuarial valuation on projected unit credit method at the end of each financial year. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost plus the present value of available refunds and reductions in future contributions to the scheme.

- 3) **Rights attached to equity shares:** The Company has issued only one class of equity shares having a face value of Rs 10 each per share. All the equity shares carry equal rights and obligations including for dividend and with respect to voting. Authorized Capital of the company is 4,00,00,000 equity shares of Rs 10 each totaling to Rs 40,00,00,000 (Rupees Fourty Crores only) (Previous Year 4,00,00,000 equity shares each of Rs 10/- totaling to Rs 40,00,00,000/- (Rupees Fourty Crores Only) . Total issued, subscribed and paid up Capital as of 31.03.2020 is 3,56,98,947 equity shares each of Rs 10/ totaling to Rs 35,69,89,470/- (Rupees Thirty Five Crores Sixty Nine Lakhs Eighty Nine Thousand Four Hundred Seventy Only) (Previous Year : 3,56,98,947 equity shares each of Rs 10/ totaling to Rs 35,69,89,470/- (Rupees Thirty Five Crores Sixty Nine Lakhs Eighty Nine Thousand Four Hundred Seventy Only).

Share Issued During the Year.

Company proposed a rights issue of shares during the year and only Rs 22,500/- were collected which is shown as share application money pending allotment. As the rights issue was not successful, the collected share application money has been refunded to the applicants subsequent to the year end. During the Previous reporting period, Company has made a rights issue and accordingly 6,98,947 equity shares each of face value RS 10/- has been allotted to the eligible members ranking pari passu with the existing equity shares of the Company during the financial year 2018-2019. There are no shareholders holding more than 5% shares. Share transfers as approved by the board of directors are disclosed in the annual return attached to the Directors Report .Dividend if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after settling the dues of preferential and other creditors as per priority. The distribution will be in proportion to the number of equity shares held by the shareholders. As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares. Reconciliation of outstanding shares at the beginning of the year to the closing of the year is given in Note-2.

- 4) Previous Year figures were regrouped wherever it becomes necessary to suit the current year outlay.



- 5) **The Company** has the following long term and short term debts as per Note- 5 and Note-7 of the financials

Long Term debts

Term Loan from Banks - Secured

- (i) State Bank of India (A/C No 67261967802), Term loan of Rs. 250 Lacs limit as per agreement with the bank dated 27/01/2014 with outstanding balance of Rs 67,20,077/-. The account has been classified as non-performing asset by the bank effective 04/07/2017. Accrued interest on this loan since the date of becoming NPA has not been accounted by the company as the company is negotiating with the bank for an interest waiver and restructuring. As the entire loan is due for payment, it's classified under current liabilities as of 31.3.2020. The term loan is secured by extension of existing equitable mortgage of properties with the bank for working capital facilities and equitable mortgage of 47.69 ares of landed properties belonging to the company. The debt is further secured by hypothecation of current assets and fixed assets of the company and the personnel guarantee of directors/ some of the shareholders. The interest rate on the loan is ranging from 11.70 % to 12.50% as per loan sanction letter dated 31.03.2017 without considering the penal interest. State Bank of India has provided statements until 31.03.2019 with accrued interest calculated including penal interest and compounded interest. The amount of such interest accrued as per Banks statement until 31.03.2019 was Rs 20, 96,286/- . Bank has not provided balance confirmation and details of interest if any accrued for the year 2019-2020. Company has not accounted for the interest accrued if any since the date of NPA i.e. 04/07/2017 till 31/03/2020 as the company is negotiating with the bank for an interest waiver and settlement, restructuring. Company has refuted the wrong calculation of interest pertaining to the period until 31.03.2019 provided by the bank. Company has calculated the interest obligation as per the rates of sanction letter until 31.03.2020 as detailed in point (vi) below.
- (ii) Federal Bank Limited (A/c No: 11836900006812), Term loan Limit of Rs 62 lakhs repayable in 84 monthly installment, current interest rate @ 13.23% p.a against equitable mortgage of title deed of 5.78 Ares of land in the name of the company in favour of the bank. The balance outstanding in the account as of 31.3.2020 is Rs 4, 27,902/- (As on 31.03.2019 Rs 20, 55,198/-) including overdue interest. The entire loan amount outstanding is classified as current liability as the outstanding balance is due for payment.

Short Term Borrowings- Secured From Banks

- (iii) State Bank of India Cash Credit Account Numbers 67128946615, 67210522125 and stand by line of credit account number 67380637844 with a total limit of Rs9Crores (Rupees Nine Crores Only) as per sanction/review dated 31.03.2017 by State Bank of India. The interest rate during the period is ranging from 11.75% to 12.30 % per annum based on the change in one year MCLR. This rate is not including penal interest. The total outstanding without accrued interest since the date of NPA against the above three accounts as of 31.03.2020 is Rs 6, 36, 01,898/- (Previous Year 31.03.2019 is Rs 8, 96, 22,173/-). State Bank of India has provided statements until 31.03.2019 with accrued interest calculated including penal interest and compounded interest. The amount of such interest as per Banks statement until 31.03.2019 was Rs 4, 54, 59,205/- . Bank has not provided the confirmation of balance as on 31.03.2020 and the details of accrued interest, if any, for the year 2019-2020. Company has not accounted for the interest accrued if any since the date of NPA i.e. 04/07/2017 till 31/03/2020 as the company is negotiating with the bank for an

interest waiver and settlement, restructuring and company has refuted the wrong calculation of interest pertaining to the period until 31.03.2019 provided by the bank. Company has calculated the interest obligation as per the rates of sanction letter until 31.03.2020 as detailed in point (vi) below. The facilities are secured by charge over the entire current assets of the company, personnel guarantees of 5 directors of the company and three non-directors and equitable mortgage of 112.57 ares of immovable landed properties belonging to the company at Ernakulam and 1,211.04 ares of landed property belonging to directors/non directors.

(iv) State Bank of India Current Account number 67129145398 overdrawn balance Nil as of 31.03.2020 (Previous Year 31.03.2019 Rs 1, 61, 50,709.95 without interest accrued since date of NPA i.e. 04/07/2017 till 31.03.2019). The interest rate during the period is ranging from 11.75% to 12.30 % per annum based on the change in one year MCLR. This rate is not including penal interest. State Bank of India has provided statements until 31.03.2019 with accrued interest calculated including penal interest and compounded interest. The amount of such interest as per Banks statement until 31.03.2019 was Rs 48, 93,785/- . Bank has not provided the confirmation of balance as of 31.03.2020 and the details of accrued interest, if any, for the year 2019-2020. Company has not accounted for the interest accrued if any since the date of NPA i.e. 04/07/2017 till 31/03/2020 as the company is negotiating with the bank for an interest waiver and settlement, restructuring and company has refuted the wrong calculation of interest pertaining to the period until 31.03.2019 provided by the bank. Company has calculated the interest obligation as per the rates of sanction letter until 31.03.2020 as detailed in point (vi) below. The overdrawn balance in the current account has been fully settled by the company except interest if any outstanding. The charges as in (iii) above are extended for this facility also.

(v) The NPA classified loan accounts with State Bank of India is now under the Stressed assets Management Branch of the bank and the bank has allowed holding on operations.

(vi) Total Interest accrued until 31.03.2020 as calculated by the Company according to the interest rates as per loan sanction letter of State Bank of India as detailed below

SBI Term Loan Account Number 67261967802:	Rs 22,76,082/-
SBI CC # 67210522125, 67128946615 & 67380637844	Rs 3,48,42,193/-
SBI Current Account # 67129145398	Rs 53,04,108/-
Total Interest Accrued since date of NPA till 31/03/2020	Rs 4,24,22,383/-

The interest accrued as provided by the bank until 31-03-2019 was at Rs 5,24,49,276/- and this will be increased by the interest for financial year 2019-20 as per banks calculation which is not provided by the bank. Company has made several rounds of negotiation with State Bank of India and they have informed that the interest details are not provided because there can be waiver of interest on approval of our proposal and bank has not accounted or recognized the accrued interest as their Income. Therefore, management has decided not to account for the interest during the period starting from the date of NPA till 31/03/2020 as the chances of getting the interest waived in the current situation is on the higher side.

(vii) **Short Term Borrowings- Unsecured from Others**

Unsecured loan from directors outstanding as of 31.03.2020 is Rs 1, 04, 11,656/- (Previous Year Rs 10, 06,528/- as of 31.03.2019). These loans were unsecured and taken to meet the



short term working capital needs of the Company and is repayable on demand. The said loans are taken with the approval of the board of directors and the interest paid is not prejudicial to the interest of the Company considering the financial situation of the Company during the financial year 2019-20. Total Interest Paid to directors during the year is Rs 11, 02,689/- (Previous year Nil)

Further companies has credits due to directors and related parties amounting to Rs47,76,737/- at the end of the year (Previous Year Rs 51,68,759/-)on account of re imbursement of expenses and short term advances.

6) **Contingent Liabilities (To the Extent Not Provided For):**

a) **Bank Guarantees**

Company enjoys a bank guarantee facility limit of Rs 10.00 Crores (Rupees Ten Crores Only) from State Bank of India and the bankers have issued bank guarantee on behalf of the company for Rs 2,49,48,987/-at the end of the year (Previous Year Rs 1,57,53,358/-) and is secured by extension of charges as mentioned for other facilities as above and personal guarantee of directors and some of the shareholders and lien on term deposits for Rs 45,29,163/-.

b) **Letter of Credit**

Company has a letter of credit facility with a limit of Rs 3.00 Crores (Rupees Three Crores) from State Bank of India and there are no letter of credits outstanding at the end of the year. The letter of credit limit is secured by landed properties of the company, and personal guarantee of directors and shareholders

7) **The Company's operations during the year predominantly** relate to sale of products, ship building and ship repair and services. Other activities which are not related to the main business do not individually constitute 10% or more of the total revenues or results or assets of the Company. Besides, the Company's operations are located only in India and hence, separate secondary geographical segment information is not disclosed

8) **Balance with Banks:** in Current Accounts Rs 20, 01,409/-(Previous year Rs 19, 68,687/-). Term deposits amounting to Rs 45,29,163/-(Previous Year Rs 23,65,475/-) held as margin against the bank guarantee facilities with lien marked is classified under other non-current assets

9) Balance of Debtors, creditors, loans, advance to suppliers, employees and VAT receivable represents the actual realizable/payable amount and are subject to confirmation

10) **Disclosures under Accounting Standards**

a) **Construction Contracts- Accounting Standard-7**

The job which is in progress for which the revenue recognition is accounted based on the percentage completion is disclosed as under in accordance with **Accounting Standard -7**. Revenue excludes sales tax, value added tax and GST. The stages of completion have been determined based on percentage of expenses incurred at the end of the year to the estimated cost of completion. The stage of completion has been determined as percentage of expenses Incurred at the end of the year to the estimated cost of completion. As all the jobs in executions are completed at the end of the year and billed completely to the customers, there was no revenue recognition to be disclosed for the year in respect of contracting jobs

b) Employees Retirement and other benefits: All employee benefits payable within twelve months of rendering services are classified as short term employee benefits. The disclosures as per Accounting Standard -15 are as follows

- Employer's Contribution to Provident Fund Rs 4,24,678/- (Previous Year Rs 3,17,809/-)
- Employer's Contribution to ESI : Rs 3,06,431/- (Previous Year: Rs 3,48,134/-)
- Leave Encashment: Accounted on cash basis. No Payments made during the year. No provision has been made for outstanding obligation if any
- Gratuity: The Company has a defined gratuity plan. Gratuity is computed as 15 days salary for every completed year of service or part thereof in excess of six months and is payable on retirement/termination/resignation. The benefits vests on the employee after completion of five years of service. The gratuity liability has not been externally funded. Company makes the provision of gratuity in the books of accounts on accrual basis. Net Accrued liability as of 31.03.2020 is computed as Rs 20,05,185/- which includes benefits pertaining to periods prior to financial year 19-20 amounting to Rs 17,72,163/- and current service cost adjusted for interest cost and actuarial loss at Rs 2,33,022/-. The entire amount including the prior year obligation amounting to Rs 20, 05,185/- has been expensed to the Profit and Loss Account as the Company was accounting for gratuity on cash basis only in the previous periods. Since the entire amount of plan obligation is unfunded, the change in fair value of plan assets as a percentage of the fair value of total plan assets and Company's expected contribution to the plan assets in the next year are not given.
- Employer's Contribution to Labour Welfare Fund: Rs 41,680/- (Previous Year Rs 2,960/-)
- Medical Expenses paid Rs 8,165/- (Previous Year Rs 34,348/-)

c) Related Party Disclosures – Accounting Standard 18: Transactions with the related parties are entered into at arm's length price and as approved by the board of directors and are in compliance with the provisions of Companies Act, 2013. Details of the Key Managerial personnel, non-executive directors, independent directors and other related parties with whom the company has entered into transactions during the year or carried forward from earlier year are as follows

1) Key Managerial Personnel & Remuneration paid during the year

- Mr. O C John- Managing Director, Remuneration: Rs 9,60,000/ (Previous Year Rs 9,60,000/-)
- Mr. E Tojen –Whole Time Director, Remuneration: Rs 7,20,000/ (Previous Year Rs 7,20,000/-) & House Rent Allowance Rs 1,50,500/- (Previous Year Rs 2,72,500/-)
- Mr. Jilish George Kanippilly- Chief Financial Officer: Nil (Previous Year Nil)

2) Related Party Transactions

- i) **Mr. O C John- Managing Director,**
Unsecured Loan to company outstanding Rs 96,656/- (Previous Year Rs 2, 16,656/-)
Other Advances to company Rs 6,86,263/- (Previous Year Rs 4,21,189/-)
- ii) **Mr. E Tojen - Whole Time Director,**
Other Advances to company Rs 24,59,365/- (Previous Year Rs 29,71,962/-)
- iii) **Dr Raju Varghese - Non Executive Director**
Unsecured Loan to company outstanding Rs 1,03,15,000/- (Previous Year Rs 7,89,872/-)
Interest Paid on unsecured loan@ 14% p.a during the year Rs 10, 78,755/-
(Previous Year Nil)



Other Advances to company Rs 22,750/- (Previous Year Rs 31,250/-)

iv) **Interest paid to Mr. R Jeyaram**, non-executive director on temporary loan taken from him during the year and repaid in full including interest @ 14% p.a. Rs 23,934/-

v) **Sitting Fees to directors during the year 2019-2020**

1) O C John- Managing Director	Nil
2) E Tojen- Whole Time Director	Nil
3) Raju Varghese- Non executive Director:	Rs 30,000/-
4) George Kanippilly- Non Executive Director:	Rs 30,000/-
5) Chandra Mohan P V- Independent Director:	Rs 20,000/-
6) Sadasivan Dilip- Non Executive Director:	Rs 10,000/-
7) Omer Moyin Kutty- Non Executive Director	Rs 25,000/-
8) R Jeyaraman – Non Executive Director	Rs 20,000/-
9) C J Jose- Independent Director	Nil

vi) **Mr. Jilish George Kanippilly - Chief Financial Officer**

Other Advances to company Rs 4,16,864/- (Previous Year Rs 5,06,864/-)

vii) **Mr. George Kanippilly- Non Executive Director**

Other Advances to company Rs 2,44,581/- (Previous Year Rs 2,75,581/-)

viii) **Amounts due to other related parties**

● Roseline Kanippilly	Rs 3,50,013/- (Previous Year Rs 3,50,013/-)
● Roshny Jilish	Rs 2,17,081/- (Previous Year Rs 2,17,081/-)
● Jrosih Kanippilly	Rs 2,11,821/- (Previous Year Rs 2,11,821/-)

d) **Earnings Per Share - Accounting Standard - 20:** Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the number of equity shares outstanding at the end of the year

Basic and Diluted earnings per share	Current Year	Previous Year
Face value of Equity shares	Rs 10/- each	Rs 10/- each
Net Profit for the Year	4, 57, 48,466	(6, 45, 99,708)
No. of Equity Shares Issued	3, 56, 98,947	3, 56, 98,947
Earnings Per share	1.28	(1.81)

e) **Accounting for Taxes on Income Accounting Standard-22:** Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Company has decide to opt for taxation at reduced rate of 22% under Section 115BAA of the Income Tax Act, 1961 based on expert tax advise obtained in this regard and accordingly no provision has been created for Minimum Alternate Tax (MAT). Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such

assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

	Current Year	Previous Year
Deferred Tax Asset Opening Balance	2,49,90,563/-	1,03,51,790/-
Timing Difference Depreciation (A)	30,38,311/-	30,96,353/-
Timing Difference nonpayment of dues (A)	1,21,08,881/-	1,93,53,103/-
Carried forward Loss (A)	3,05,90,921/-	9,42,17,519/-
Deferred Tax Asset	1,15,12,283/-	2,49,90,563/-
Deferred Tax Expense (Income)	1,34,78,280/-	(1,46,38,773)

- 11) The company has not received any intimation from "Suppliers" regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amount unpaid as at the yearend together with the interest paid/payable as required under the said Act have not been given.
- 12) Import of raw materials and expenditure in Foreign Currency during the year: Nil (Previous Year Nil). There are no foreign exchange earnings or outgo during the year.
- 13) **Trade Receivables, Write Off and Provision:**

Bad Debts Written Off: During the year under report Company has written off an amount of Rs 79,56,507/- to the Statement of Profit and Loss which is due from various parties. This write off was necessary as the written off balances were relating to rejection of claims on VAT/GST, deductions from final bill, penalties/claims, short certifications and reduction in variation orders etc. As these amounts are not collectible management has decided to write off the same. Material balances of such write off include

- Coast Guard	Rs 32,59,009/-
- FACT	Rs 13,09,373/-
- Irrigation Kallada	Rs 9,54,286/-
- NSRY	Rs 8,40,586/-
- Western India	Rs 3,66,523/-
- Electroneumatics	Rs 2,36,073/-
- Kerala Port Bepore	Rs 1,24,981/-
- Coast Guard Dist. 4	Rs 1,78,076/-
- Shipping Corporation of India	Rs 1,11,744/-

Provision made for Bad Debts: During the year Management has decided to make a provision of Rs 34,13,834/- relating to the non-moving receivables. Company has Rs 1,36,55,337/- due



from various customers (30 customers) which is older than 2 to three years. Company is making all efforts to collect this money and on a prudent basis, management has decided to make a 25% of Rs 1,36,55,337/- as provision for bad debt as disclosed in Note-24 of the financial statements.

- 14) The board of director's is of the opinion that the assets other than fixed assets and capital work in progress have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
- 15) Extra Ordinary Income: During the year Company has reported extra ordinary income of Rs 48,69,296/- which represents (a) Service Tax Liability written back Rs 43,37,896/- pursuant to Company opting for settlement of Service Tax dues under Sabka Vishwas (Legacy Dispute Resolution) Scheme 2019, and accordingly Company has got 50% of the total service tax due of Rs 86,75,793/- waived off (b) debenture interest amounting to Rs 5,31,400/- relating to periods prior to 31.03.2019 waived off by debenture holders as a part of settlement reached with the debenture holders. These amounts are distinctive from ordinary business activities and are not expected to re occur hence classified under extra-ordinary item in the statement of profit and loss.

As per our report of even date attached

O. C John

Managing Director, DIN: 00918513

E. Tojen

Wholetime Director, DIN: 01562904

Jofin John

Company Secretary

Jilish George Kanippilly

Chief Financial Officer

As per our report of even date attached

For **A Mathew & Associates**

Chartered Accountants, Regn No: 013144S

Abraham Mathew (M No: 201884)

Proprietor

UDIN: 20201884AAAABS3678

Dated : 26 June 2020, Ernakulam.

	Current Year	Previous Year
	(Amount in Rupees)	
Note-2 Share Capital		
A. Authorised		
4,00,00,000 Equity shares of Rs. 10 each	40,00,00,000	40,00,00,000
(Previous Year 4,00,00,000 Equity shares of Rs. 10 each)	40,00,00,000	40,00,00,000
B. Issued, Subscribed and Fully Paid- Equity		
Balance at the beginning of the period 3,56,98,947 Equity shares of Rs. 10/- each	35,69,89,470	35,00,00,000
Add: Shares allotted during the year	Nil	69,89,470
Equity Share Capital as on 31.03.2020 (Previous Year 3,56,98,947 Equity shares of Rs. 10 each)	35,69,89,470	35,69,89,470
Reconciliation of Equity Shares Outstanding at the beginning and end of reporting period		
Opening No of Equity Shares	3,56,98,947	3,50,00,000
No of Shares Issued during the year	Nil	6,98,947
Closing No of Equity Shares	3,56,98,947	3,56,98,947
Number of Share Holders		
Opening	932	951
Changes during the year	(1)	(19)
Closing Number of Share Holders	931	932
Shares held by shareholders holding more than 5% shares		
None of the share holders are holding more than 5% of the total shares issued		
Note -3 Reserves & Surpluses		
i Debenture Redemption Reserve		
Opening Balance	20,10,000	16,75,000
Add : Transfer from Surplus	-	3,35,000
Transfer to Surplus	(20,10,000)	
Sub total	0	20,10,000
ii Surplus: Profit and Loss Account		
Opening Balance	(8,78,91,079)	(2,29,56,370)
Add : Profit/Loss for the year	4,57,48,466	-6,45,99,708
Less : Transferred to debenture redemption reserve	-	(3,35,000)
Add: Transferred from debenture redemption reserve	20,10,000	
Sub total	-4,01,32,613	-8,78,91,078
Total Reserves & Surplus	-4,01,32,613	-8,58,81,078
Note -4 Long Term Provisions		
Employees Gratuity	20,05,185	-
Note -5 Short Term Borrowings		
Loans Repayable on demand (refer Note-1)		
a From Banks- Secured		
State Bank of India Cash credit/overdraft	6,36,01,898	10,57,72,883
b From Others- Unsecured		
Deposit- Unsecured	68,529	68,529
Unsecured Loan from Directors and related parties	1,04,11,656	10,06,528
Total Short Term Borrowings	7,40,82,083	10,68,47,940

Note -6 Trade Payables

Sub Contractors	16,94,605	1,398,320
Purchase Creditors	1,13,92,490	17,632,047
Other Trade Payables	8,77,345	2,379,399
Total	1,39,64,440	21,409,766

Note- 7 Other Current Liabilities
a Current Maturity of Long Term Debt

SBI Term Loan 250 Lakhs# 67261967802	67,20,077	67,20,077
Term Loan Federal Bank 62 Lakhs# 11836900006812	4,27,902	20,55,198

b Debentures Secured

14% Non-Convertible Debentures due for redemption	-	67,00,000
---	---	-----------

c Advance from Customers	9,07,290	45,24,446
d Amount due to related parties for expenses	47,76,737	51,68,759
e Expenses Payable	69,07,828	76,06,712
f Statutory Liabilities	1,03,12,780	1,98,40,268

Total	3,00,52,613	5,26,15,459
--------------	--------------------	--------------------

Note-8 Short Term Provisions

Provision for Income Tax AY 2016-17	40,56,308	40,56,308
-------------------------------------	-----------	-----------

Total	40,56,308	40,56,308
--------------	------------------	------------------

Note -11 Long term Loans and Advances- Unsecured

a Capital Advances for Land	4,38,000	4,38,000
b Security Deposits	24,32,027	25,87,207
c Other Loans & Advances- Loans to Employees	1,38,328	1,38,328

Total	30,08,355	31,63,535
--------------	------------------	------------------

Note -12 Other Non Current Assets

Retentions Not Due	1,12,033	82,075
Term Deposits as margin for BG and LC with Banks	45,29,163	23,65,475
Total	46,41,196	24,47,550

Note -13 Inventories: (As taken, valued and certified by the management)

Raw Materials	70,07,455	1,00,24,349
Stores and Spares	12,12,505	12,78,012
Work in Progress	23,93,341	-

Total	1,06,13,302	1,13,02,361
--------------	--------------------	--------------------

Note -14 Trade Receivables (unsecured considered good)

Outstanding for a period exceeding six months	2,49,52,200	3,85,75,49
Less than Six Months	3,40,03,919	1,02,41,515

Total	5,89,56,119	4,88,17,005
--------------	--------------------	--------------------

Less provision for Bad and Doubtful Debt	34,13,834	0
---	------------------	----------

Balance Trade Receivables	5,55,42,285	4,88,17,005
----------------------------------	--------------------	--------------------

Note -15 Cash & Cash Equivalents

a Cash in Hand	2,39,659	1,94,480
b Balances with Banks		
i) In Current Accounts	20,01,409	19,68,687

Total	22,41,068	21,63,166
--------------	------------------	------------------

Note -16 Short Term Loans & Advances- Unsecured

a Supplier Advances	57,70,899	1,19,49,577
b Advances to employees	10,70,073	19,25,296
Total	68,40,972	1,38,74,873

Note -17 Other Current Assets

TDS on Income Tax & GST	40,41,763	46,69,331
KVAT Receivables	53,32,099	53,32,099
Others	14,900	4,04,400
Total	93,88,761	1,04,05,830

Note -18 Revenue from Operations**a Income from Ship building, repairing and services**

Income From Engineering Works	15,35,04,548	3,92,65,754
Income Received From Wharfage	18,04,193	1,06,340
Yard Service Charges	-	2,82,427
Total	15,53,08,741	3,96,54,521

Note -19 Other income

Other Direct Income- consumables supply	82,500	14,84,069
Interest income	6,55,843	4,88,786
Discount Received	-	5,366
Training fee Received	2,67,100	1,58,540
Others- creditors written back	2,72,225	3,02,832
Total	12,77,668	24,39,592

Note -20 Cost of material consumed

Opening stock of Raw Material	1,00,24,349	3,23,94,457
Opening stock of Stores & Spares	12,78,012	98,39,569
	1,13,02,361	4,22,34,026
Add: Purchase of Raw Material	2,91,47,869	2,10,29,602
	2,91,47,869	2,10,29,602
Less: Closing stock of Raw Material	70,07,455	1,00,24,349
Closing stock of Stores & Spares	12,12,505	12,78,012
	82,19,960	1,13,02,361
Total	3,22,30,270	5,19,61,267

Note -21 Changes in Work in Progress

Opening Stock of WIP		74,85,139
Closing Stock of WIP	23,93,341	-
Total	-23,93,341	74,85,139

Note -22 Employee Benefits

Salaries & allowances	82,85,377	87,45,745
Wages & Labor	1,35,00,628	1,18,82,375
Bonus	3,05,450	5,12,726
Contribution to ESI	3,06,431	3,48,134
Contribution to PF	4,24,678	3,17,809
Gratuity	20,05,185	34,765
PF Administration Charges	32,811	15,260

Labour Welfare Fund	41,680	2,960
Medical Expenses	8,165	34,348
Remuneration to Whole Time Directors	16,80,000	16,80,000
Staff Welfare/Project Staff Expenses	4,32,142	12,73,935
Other Allowances to Staff	1,08,451	30,000
Total	2,71,30,999	2,48,78,058

Note -23 Financial Cost

Interest Expense	18,73,377	26,91,358
Total	18,73,377	26,91,358

Note -24 Other Expenses
Job Related Expenses

Fabrication Expenses	94,43,758	29,49,054
Freight & Transportation Charges	4,86,375	8,35,518
Hire Charges	6,92,280	4,38,075
Repairs and Maintenance	4,21,731	4,08,027
Loading & Unloading Charges	2,47,085	2,20,635
Electricity Charges	15,55,715	11,70,929
Service Charges	63,05,961	39,02,318
Testing & Inspection Charges	1,41,452	7,75,164
Claims & Deductions	1,04,344	84,803
Job Accruals on completed jobs	13,79,674	-

Other Selling and Administration Expenses

Advertisement expenses	14,965	32,645
AMC Charges	12,000	-
Auditor's Fee for audit	1,35,000	1,10,000
Bank Charges & Commission	17,99,096	5,96,066
Business Promotional Expenses	12,070	74,275
Travelling & Conveyance Expense	17,23,280	9,80,263
Directors Sitting Fee	1,35,000	75,000
Fines and Late Fees	3,32,494	10,638
Fuel and Power	4,48,093	1,99,571
House Keeping expenses	1,13,922	96,000
Insurance Premium	1,52,018	2,38,344
Legal Charges	3,01,890	2,14,065
Lodging Expenses	58,117	2,99,550
Meeting & Seminar Expenses	1,60,885	1,56,787
Miscellaneous & General Expenses	37,506	59,312
Mobile & Telephone Charges	59,848	1,09,669
Office Expenses	2,15,380	1,47,611
Postage & Courier	42,935	41,322
Printing & Stationary	1,67,673	1,29,321
Professional Charges	11,77,250	9,03,375
Rates & Taxes, Licenses, registrations	5,70,875	6,39,094
Rates & Taxes earlier years	7,41,222	25,49,990
Bad Debts written off	79,56,507	1,23,57,688
Provision for Bad Debts	34,13,834	0
Rent	6,45,283	9,40,606
Security Charges	3,31,100	3,35,800
Surveillance Audit Fee	52,000	-
Tender Expenses	8,875	13,350
Water Charges	10,860	-
Total	4,16,08,356	3,20,94,868

Note-9 : Tangible Fixed Assets as on 31.03.2020

SL. No	Particulars	GROSS BLOCK			Accumulated Depreciation				NET BLOCK	
		Balance as on 01-04-2019	Additions	Deletions	Balance as on 31-03-2020	Upto 31.03.2019	For the year	On Assets Sold	As on 31-03-2020	As on 31-03-2019
1	Land	19,58,83,951			19,58,83,951			-	195,883,951	19,58,83,951
2	Building	25,30,617			25,30,617	15,35,371	94,585	-	900,662	995,246
3	Plant & Machinery	1,70,13,070			1,70,13,070	1,31,83,721	7,34,441	-	3,094,908	3,829,350
4	Furniture & Fittings	25,88,677			25,88,677	23,68,396	47,251	-	173,030	220,281
5	Office Equipment	27,30,499	116,455		28,46,954	25,23,654	80,407	-	242,893	206,845
6	Computer & Accessories	20,81,652	28,604		21,10,256	20,08,665	53,085	-	48,507	72,987
7	Electrical Installations & Equipments	1,37,45,460	13,020		1,37,58,480	1,18,82,943	512,069	-	1,363,468	1,862,517
8	Vehicles	18,54,167			18,54,167	17,10,696	50,722	-	92,749	143,471
9	Ships - Boat	64,83,854			64,83,854	44,47,020	2,06,739	-	1,830,096	2,036,835
	TOTAL	24,49,11,948	1,58,080	-	24,50,70,028	3,96,60,465	17,79,299	-	203,630,264	205,251,483
	Previous Year	24,48,47,181	64,767	13,800	24,49,11,948	3,74,38,560	22,21,905	-	39,660,465	207,408,621

Note-10, Capital Work in Progress as on 31 March 2020

SL. No	Particulars	01.04.2019	Addition	Deletion	31-03-2020				31-03-2020	31-03-2019
1	Boat Jetty	66,95,512			66,95,512	-	-	-	66,95,512	66,95,512
2	Wharf	3,20,15,173			3,20,15,173	-	-	-	3,20,15,173	3,20,15,173
3	Slipway	7,02,67,240			7,02,67,240	-	-	-	7,02,67,240	7,02,67,240
4	Workshop	16,72,625			16,72,625	-	-	-	16,72,625	16,72,625
5	Skid	34,28,005			34,28,005	-	-	-	34,28,005	34,28,005
6	Gantry Crane 60 Tonnes	76,77,419			76,77,419	-	-	-	76,77,419	76,77,419
7	Building Construction - Vypeen Yard	1,17,54,557			1,17,54,557	-	-	-	1,17,54,557	1,17,54,557
8	Dry dock	1,10,968			1,10,968	-	-	-	1,10,968	1,10,968
	TOTAL	13,36,21,499			13,36,21,499	-	-	-	13,36,21,499	13,36,21,499
	Previous Year	13,01,44,914			13,01,44,914	-	-	-	13,01,44,914	13,01,44,914

ROUTE MAP



FORMAT FOR REGISTERING E-MAIL ID, ADDRESS & TELEPHONE NO: (For all shareholders)

Folio No : _____

Name of the sole/first holder : _____

Name of the Joint holders if any : _____

Postal Address with Pin code &
Mobile or landline No : _____

E Mail address : _____

Date & Signature : _____

Note: All the above particulars shall mandatorily be filled.

Shareholders are requested to intimate the company as and when there is any change in the E-mail ID



CONTACT INFORMATION

REGISTERED OFFICE & YARD

1/212, V. P. Road,
Azheekal P.O, Vypin
Kochi- 682 508

Tel: 91484 2503636

Fax: 91484 2502536

E-mail: tech@seablueshipyard.com

Website: www.seablueshipyard.com

FORMAT FOR CLAIMING UNPAID DIVIDEND FOR THE FINANCIAL YEAR 2010-11 BY NEFT
 (only for those shareholders who are yet to claim the dividend for the FY 2010- 11)

Folio No: _____

Name of the sole/first holder: _____

Email Address: _____

Mobile No: _____

Declaration

I hereby authorize M/s Sea Blue Shipyard Limited to make the payment of dividend unclaimed by me by direct credit to my Local Bank Account; the details of which are provided below:

Bank Name: _____

Branch Name: _____

Branch Address: _____

MICR code: _____

IFS code: _____

Swift Code: _____

Account type: _____

Account No: _____

Date: _____

Signature: _____

Note: All the above particulars are mandatory

CONTACT INFORMATION

REGISTERED OFFICE & YARD

1/212, V. P. Road,
Azheekal P.O, Vypin
Kochi- 682 508
Tel: 91484 2503636
Fax: 91484 2502536
E-mail: tech@seablueshipyard.com
Website: www.seablueshipyard.com

M/s SEA BLUE SHIPYARD LTD

CIN: U35111KL2003PLC016677

Regd Office: 1/212, V. P. Road, Azheekal. P.O, Vypin, Kochi- 682508 Email: cs@seablueshipyard.com

ATTENDANCE SLIP

I hereby record my presence at the 17th Annual General Meeting of the Company to be held at 11.00 A.M. on Saturday, the 12th day of December 2020 at Hotel Le Maritime, Goshree Junction, Kochi- 682510

Folio No./DP-ID & Client ID No																				
--------------------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Full Name of the *Shareholder/proxy (in block letters)

Signature of *Shareholder/proxy

* Strike out whichever is not applicable E-mail ID

NOTE: Shareholders attending the meeting in Person / Proxy are requested to complete the Attendance Slip and handover at the entrance of the Meeting Hall.

Form No. MGT- 11 Proxy Form

[Pu
CIN : U35111KL2003PLC016677
Name of the Company : **SEA BLUE SHIPYARD LIMITED**
Registered Office : 1/212, V.P. Road, Azheekal. P.O, Vypin- 682508

Name of the Member (s) :.....
Registered Address :.....
Email ID:.....
Folio No./Client Id:.....
DP ID:.....

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

1. Name:.....
Address:.....
E-mail Id: Signature :or failing him
2. Name:.....
Address:.....
E-mail Id: Signature :or failing him
3. Name:.....
Address:.....
E-mail Id: Signature :or failing him

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 17th Annual General Meeting of the Company, to be held on Saturday, the 12th day of December 2020 at 11.00 A.M. at Hotel Le Maritime, Goshree Junction, Kochi- 682510 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Item Nos.

1. Adoption of accounts for the year ended 31.03.2020
2. Retire by rotation of Mr. Ummer Moyinkutty
3. Retire by rotation of Mr. Sadasivan Dileep Kumar
4. Appointment of Statutory Auditor
5. Appointment Mr. Shaji Joseph as Director
6. Appointment of Mr. E V Ramachandran Nair as Director

Signed this..... day of 2020

Signature of shareholder.....

Revenue

Signature of Proxy holder(s)

Stamp of Re.1/-

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

