



**SEAMEC LIMITED**  
THE MEMBER OF THE TECHNIP GROUP



## Contents

|  |    |
|--|----|
| Board of Directors                               | 1  |
| Notice   | 3  |
| Directors' Report                                | 5  |
| Report on Corporate Governance                   | 9  |
| Auditors' Certificate on<br>Corporate Governance | 18 |
| Management Discussion &<br>Analysis Report       | 20 |
| Ten Years at a Glance                            | 22 |
| Auditors' Report                                 | 23 |
| Balance Sheet                                    | 26 |
| Profit & Loss Account                            | 27 |
| Cash Flow Statement                              | 28 |
| Notes to Financial Statement                     | 29 |
| Balance Sheet Abstract                           | 44 |
| Auditors Report Consolidated Accounts            | 45 |
| Consolidated Balance Sheet                       | 46 |
| Consolidated Profit and Loss Account             | 47 |
| Cash Flow Consolidated                           | 48 |
| Notes to Consolidated Financial Statement        | 49 |



## SEAMEC LIMITED

A MEMBER OF THE TECHNIP GROUP  
TWENTY FIFTH ANNUAL REPORT 2011-12

### BOARD OF DIRECTORS

Mr. Shardul Thacker, Chairman  
Mr. Carl Holmen  
Mr. Georges Michel  
Ms. Muriel Hurstel  
Mrs. Bhavna Doshi  
Captain C.J. Rodricks, Managing Director  
Mr. Alain Marion, Alternate to Mr. Carl Holmen  
Mr. Emmanuel Fontan, Alternate to Georges Michel  
Mr. Vincent Taravella, Alternate to Ms. Muriel Hurstel

### BOARD COMMITTEE

#### Audit Committee

Mrs. Bhavna Doshi, Chairperson  
Mr. Shardul Thacker  
Ms. Muriel Hurstel

#### Shareholders / Investors

#### Grievance & Transfer Committee

Mr. Shardul Thacker, Chairman  
Mrs. Bhavna Doshi  
Captain C. J. Rodricks

#### Management Committee

Captain C. J. Rodricks  
Managing Director  
Mr. Carl Holmen  
Director  
Mr. S. N. Mohanty  
Chief Legal Officer & Company Secretary  
Mr. S. S. Biswas  
Chief Financial Officer  
Mr. R. R. Roy  
General Manager (Operations)

#### CHIEF FINANCIAL OFFICER

Mr. S. S. Biswas

### AUDITORS

S. R. Batliboi & Co.  
Chartered Accountants  
16th Floor, The Ruby,  
29 Senapati Bapat Marg,  
Dadar (W), Mumbai - 400 028

### BANKERS

IDBI Bank Limited

### REGISTRARS & SHARE TRANSFER AGENTS

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

### REGISTERED & CORPORATE OFFICE

A - 901 - 905, 9th Floor,  
215 Atrium, Andheri Kurla Road,  
Andheri East, Mumbai - 400 069.  
Tel ; (022) 6694 1800  
Fax : (022) 6694 1818  
Email : seamec@bom5.vsnl.net.in  
Website : www.technip.com/en/entities/seamec-ltd

### CHIEF LEGAL OFFICER & COMPANY SECRETARY

Mr. S. N. Mohanty



## LISTING ON THE STOCK EXCHANGES

The Company's shares are listed on :

1. Bombay Stock Exchange Limited  
1st Floor, Rotunda Building  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001
2. National Stock Exchange of India Limited  
Exchange Plaza  
Bandra - Kurla Complex  
Bandra (E), Mumbai 400 051

### ATTENTION ALL SHAREHOLDERS

Present address of the Registered Office of the Company is at:

A - 901 - 905, 9th Floor, 215 Atrium, Andheri Kurla Road,  
Andheri East, Mumbai - 400 069.

Tel : (022) 6694 1800

Fax : (022) 6694 1818

Email : [Seamec@bom5.vsnl.net.in](mailto:Seamec@bom5.vsnl.net.in)

Website : [www.technip..com/en/entities/seamec-ltd](http://www.technip..com/en/entities/seamec-ltd)

All Communication, pertaining to shares, should be made  
either to the Company's Registered office  
at the above address OR to the  
Registrar & Share Transfer Agents :

#### **C B Management Services (P) Ltd.**

P-22, Bondel Road, 2nd Floor, Kolkata 700 019

Tel: (033) 4011 6700 / 6711 / 6723 • Fax : (033) 4011 6739

E-mail: [rta@cbmsl.com](mailto:rta@cbmsl.com)

## NOTICE TO THE MEMBERS

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of SEAMEC LIMITED will be held on Tuesday, the 14th August'2012 at 4.30 PM at Navinbhai Thakkar Auditorium, Shree Vile Parle Gujarati Mandal, Shraddhanand Road, Vile Parle (East), Mumbai – 400 057 to transact the following business :-

### AS ORDINARY BUSINESS

1. To consider and adopt the Profit & Loss Account of the Company for the year ended on 31st March'2012 and the Balance Sheet as on that date together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Carl Holmen, who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Mrs. Bhavna Doshi, who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors and to fix their remuneration.

Registered Office :  
A-901-905, 9th Floor,  
215 Atrium,  
Andheri Kurla Road,  
Andheri (East) Mumbai – 400 069

By order of the Board

**S. N. Mohanty**  
Chief Legal Officer & Company Secretary

Dated, 30th May'2012

### NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his/her place and a proxy, so appointed, need not be a member of the Company. A proxy form, duly completed, must be deposited at the Registered Office of the Company at least forty-eight hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 9th August'2012 to 14th August'2012 (both days inclusive).
3. Members desirous of obtaining any information regarding Accounts and operations of the Company requested to write to the Company, so that it reaches the Company at least 7 (Seven) days before the meeting, to enable the Company to keep the information ready at the time of the meeting.
4. Any change of address of the members of the Company may be intimated to the Registered Office of the Company or to the Registrars : C B Management Services (P) Ltd., P-22, Bondel Road, 2nd Floor, Kolkata – 700 019.
5. Members are requested to bring their copies of the Annual Report and Accounts to the Meeting.
6. Members / Proxies should bring the Attendance Slip duly filled in for attending the meeting.
7. Members are requested to quote the ledger folio or Client ID and DP ID numbers in all communications with the Company.



**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE 25TH ANNUAL GENERAL MEETING TO BE HELD ON THURSDAY, 9TH AUGUST 2012, PURSUANT TO REQUIREMENT OF CLAUSE 49 (VI) OF LISTING AGREEMENT ON CORPORATE GOVERNANCE**

**MR. CARL HOLMEN**

Mr. Carl Holmen, aged about 55 years is in the Board of your Company since October 2007 as nominee of Coflexip Stena Offshore (Mauritius) Limited (CSOML). Mr. Holmen, by Qualification, is a Mechanical Engineer with over Twenty seven years of experience in Subsea Construction including Executive Management. Mr. Carl Holmen is an employee of TECHNIP NORGE AS, a subsidiary of TECHNIP SA, France. At present Mr. Holmen holds the position of Vice President, in TECHNIP GROUP. Mr. Holmen does not hold any Shares in your Company. He is not a Director in any other Company in India nor is a member of any Committee in India.

**MRS. BHAVNA DOSHI**

Mrs. Bhavna Doshi, aged about 59 years, is a Chartered Accountant having experience over 27 years in the profession. Accounting and Taxation are her forte. At present, she is Senior Advisor to KMPG. She is an elected Member of the Council of the Institute of Chartered Accountants of India. She is actively associated with various committees of ICAI and Chairs Research Committee. She is President of Indian Merchant's Chambers, a renown Chamber of Commerce Headquartered at Mumbai. She has served on National and International Committees relating to Accounting, Taxation and Compliance. She serves as Independent Director on the Boards and Committees of Board of Companies including Peninsula Land Limited and LIC Pension Fund Limited. She is the Member of Board, Shareholder / Investor Grievance & Transfer Committee, Remuneration Committee and Chair Person of Audit Committee of your Company. Mrs. Doshi does not hold any Shares in your Company.

## DIRECTORS' REPORT

To

### The Members

Your Directors have pleasure in presenting the Twenty-Fifth Annual Report of the Company and the Audited Accounts for the Financial Period ended 31<sup>st</sup> March, 2012.

### 1. FINANCIAL HIGHLIGHTS

(Figures in ₹ Million)

|   | Current Year<br>ended<br>31.03.2012 | Previous Year<br>ended<br>31.03.2011 |
|---|-------------------------------------|--------------------------------------|
| Net Sales/Income from Operations                        | 1818                                | 1024                                 |
| Other Income  | 180                                 | 133                                  |
| Total Expenditure                                       |                                     |                                      |
| a. Consumables & Spares                                 | 290                                 | 262                                  |
| b. Staff Costs (including offshore staff)               | 621                                 | 596                                  |
| c. Dry Dock expenditure incurred                        | 131                                 | 324                                  |
| d. Other Expenditure                                    | 704                                 | 388                                  |
| Earnings before Depreciation & Tax                      | 252                                 | (413)                                |
| Depreciation  | 311                                 | 265                                  |
| Exceptional Items                                       | -                                   | (44)                                 |
| Profit / (Loss) before Tax                              | (59)                                | (634)                                |
| Tax Expenses for the year                               | 45                                  | 33                                   |
| Profit /(Loss) after Taxation                           | (104)                               | (667)                                |
| <u>Add</u> : Balance brought forward from previous year | 2243                                | 2910                                 |
| Surplus available for appropriation                     | 2139                                | 2243                                 |
| <b>Appropriation:</b>                                   |                                     |                                      |
| Transfer to General Reserve                             | -                                   | -                                    |
| Transfer to Tonnage Tax Reserve                         | -                                   | -                                    |
| Retained profit carried forward                         | 2139                                | 2243                                 |

During the year under review the Company's total revenue was Rs.1998 million as against Rs.1157 million in previous year an increase of about 73%. Income from operations was Rs.1818 million as against Rs.1024 million in the previous year reflecting increase of about 77%.

The Global Economy seemed to be on a very slow recovery path during the year under review. However, employment of vessels and Charter rates were volatile in your Company's line of business. Your Company is in the process of recovery and endeavoured to keep the vessels deployed to the maximum.

The Company fared reasonably well in its endeavour despite some unforeseen circumstances. One of the Vessels secured a Long Term Charter of 3 years for ONGC Job in India scheduled to commence in November'2011. The other Vessels had also moderate deployment record.

The business scenario got a serious setback with the detention of two vessels by Customs in Mumbai on arrival in India in November'2011 for want of Bill of Entry of original import. The Company had purchased these Vessels in India as Indian Flag Vessels. The Vessels were finally released in January'2012 after order of Hon'ble High Court, Bombay.

Directorate of Revenue Intelligence (DRI) made a search in the offices of the Company and provisionally assessed duty of Rs.126 million towards duty on repairs / modifications carried out outside India. The Company paid the amount "Under Protest" subject to adjudication. Final Assessment is under process.

Your Company suffered a loss of Rs.105 million during the year under review. The loss suffered during the previous year was Rs.667 million. Though your Company incurred expenses towards Customs charges (DRI), dry-docking, the major factor attributed to incurring of loss was inability on the part of Company to execute firm Charters of two Vessels as these Vessels





were detained by Customs. Detention forced the Company to bear the loss of revenue, operation cost and in addition made the Payment of Liquidated Damage for delay in delivery of Vessel for ONGC Job. Absence of these unforeseen circumstances would have brought back your Company to profitability.

Your Company continued to monitor the cost control measures to minimize adverse burden. Your Company continues to retain its debt free status. Cash Balance at the beginning of financial period was Rs. 2025 million. The balance at the end of the period was Rs.416 million a decrease of 79% over last year.

Due to shipping loss, no Reserve was transferred to Tonnage Tax Reserve u/s 115V of Income Tax Act in the year under review.

## **2. DIVIDEND**

In view of the loss suffered during the year, the Board of Directors has decided not to recommend payment of dividend.

## **3. OPERATIONS OFFSHORE**

The Company owns and operates four multi support vessels. The Company operates an additional vessel under Bareboat Charter from SEAMEC INTERNATIONAL FZE, your Company's Wholly Owned Subsidiary, effective from January'2012.

The Company succeeded in overcoming the volatility of decline in business of last year. Overall deployment has increased significantly to 65% against 49% of last year.

The Company's Vessels during the year in general operated in India and South East Asia. One of the Vessels had undergone modification / upgradation for deployment on a Long Term Contract of 3 years with ONGC. The Charter commenced from end of January'2012 after release of Vessel by Customs. With this two of your Company's Vessels are placed on Long Term Charter. Out of the balance, one had assured significant employment whilst the other had to struggle for employment. The Vessel owned by SEAMEC INTERNATIONAL FZE, was taken under Bareboat Charter, deployed in West Africa for a project with TECHNIP effective from January'2012.

## **4. DIRECTORS AND MANAGEMENT**

Your Company is a subsidiary of Coflexip Stena Offshore (Mauritius) Ltd. (CSOML), which ultimately is owned by TECHNIP S.A. FRANCE.

During the year under review CSOML, nominated Mrs. Muriel Hurstel as a Director on the Board of Directors of the Company in place of Mr. Christophe Armengol.

CSOML also nominated Mr. Gregoire Abele as an Alternate Director. Subsequently Mr. Vincent Taravella was nominated as an Alternate Director in place of Mr. Gregoire Abele on 30th May, 2012.

Mr. Vincent Taravella by Qualification is Master of Business and Economics, Corporate Finance and Law. Mr. Taravella works as Finance Manager of your Parent Company TECHNIP in Paris. Mr. Taravella does not hold any shares in your Company. Your Directors placed on record its appreciation of the valuable services rendered by Messers Christophe Armengol and Gregoire Abele during their tenure as Directors of the Company.

In accordance with the provisions of Companies Act, 1956 and the Articles of Association of the Company, Mr. Carl Holmen and Ms. Bhavna Doshi, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

## **5. AUDITORS**

M/s. S. R. Batliboi & Co. Chartered Accountants, the Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and they are eligible for re-appointment.

## **6. AUDITORS' REPORT**

The observations in the Auditors' Report have been dealt with in the relevant Notes to Accounts, which are self-explanatory.

## **7. RELATED PARTY TRANSACTIONS**

A statement of related party transaction pursuant to accounting standard 18 is given in Note 31 (Notes to Accounts).

## **8. CORPORATE GOVERNANCE**

The Company believes that Corporate Governance is a way of business life rather than legal compulsion.

Your Directors re-affirm their commitment to the Corporate Governance standards prescribed by Securities and Exchange Board of India (SEBI) codified as Clause 49 of the Listing Agreement with Stock Exchanges. Corporate Governance and



Management Discussions and Analysis Report as well as Corporate Governance compliance certificate by Auditors are set out in separate Annexures to this report.

## 9. INVESTOR SERVICES

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

Coflexip Stena Offshore (Mauritius) Limited, the promoter of the Company pursuant to Securities Exchange Board of India, guidelines had dematerialized its entire physical holdings during the year under review.

## 10. WHOLLY OWNED SUBSIDIARY

SEAMEC INTERNATIONAL FZE, the Wholly Owned Subsidiary has acquired a vessel during the year under review. The said vessel was taken under Bareboat Charter by your Company. As per the regulatory provision, the consolidated financial statement of your Company and its wholly owned subsidiary for the financial Year ended on 31<sup>st</sup> March 2012 duly audited by Statutory Auditors is attached to the annual report of the Company. The Annual Accounts of the Wholly Owned Subsidiary and the related detailed information shall be made available to the shareholders on request at any point of time.

## 11. HUMAN RESOURCES

Your Company considers people as one of the most valuable resources. All employees are committed to their work and proactively participate in their area of operations. The continuous training courses give employees the opportunity to improve their skill leading to consistent improvements in systems and practices and adhering to SEAMEC value. Health and Safety of the employees and our associates we work with remains our paramount importance. Your Company ensures that operations are carried out as per the safety guidelines and procedures in place. Employees are regularly made aware of hazards/risks associated with their jobs and appropriate training is imparted to them to improve their skills. Periodic safety audit are undertaken to confirm proper functioning of system and procedure.

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

The information to be furnished under Section 217(1)(e) of the Companies Act, 1956 is annexed to this report.

## 13. PARTICULARS OF EMPLOYEES

The particulars required under Section 217(2A) of the Companies Act, 1956 are also furnished in the Annexure.

## 14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956 your Directors state that :

- a. In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure, if any.
- b. 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 at the end of financial year and the loss of the Company for the period.
- c. Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. Directors had prepared the annual accounts on a going concern basis.

## 15. ACKNOWLEDGEMENT

Your Directors record their sincere appreciation of the dedication and commitment of all employees in achieving and sustaining excellence for the company's business. Your Directors thank the valued shareholders, customers, suppliers, Banks, Registrar and Share Transfer Agent for their continuous support to the company.

For and on behalf of the Board of Directors

Place : Mumbai  
Date : May 30, 2012

**Shardul Thacker**  
Chairman



## ANNEXURE TO THE DIRECTORS' REPORT

Information under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the period ending 31<sup>st</sup> March, 2012.

### A. TECHNOLOGY ABSORPTION

The Company's activities, being in the service sector in oilfield operations, are currently confined only to rendering services offshore and do not necessitate expenditure on R & D. However, the standards of the particular industry regarding foreign technology absorption have been achieved indigenously to a great extent.

### B. FOREIGN EXCHANGE EARNINGS & EXPENDITURE

During the period under review, the Company's foreign exchange earnings were equivalent to Rs. 1461 million and foreign exchange outgo was equivalent to Rs. 456.05 million.

Statement of particulars of Employees, pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, forming part of the Directors' Report for the fifteen months period ended 31<sup>st</sup> March, 2012 .

| Name                           | Age (Yrs) | Designation       | Remuneration    | Qualifications                | Experience (Yrs) | Date of Commencement | Previous Employment     |
|--------------------------------|-----------|-------------------|-----------------|-------------------------------|------------------|----------------------|-------------------------|
| <b>Employed for the Period</b> |           |                   |                 |                               |                  |                      |                         |
| Capt. Christopher J. Rodricks  | 59        | Managing Director | ₹ Million 21.72 | Master – Foreign going vessel | 38               | 28.02.03             | Seabulk Offshore, Dubai |

### NOTES:

1. Nature of employment: Contractual in accordance with terms and conditions as per Companies Rules.
2. Remuneration includes salary, allowances. Leave encashment, companies contribution to retiral funds etc and monetary value of other perquisites.

## REPORT ON CORPORATE GOVERNANCE

The report on Corporate Governance for the year ended 31<sup>st</sup> March'2012 is as under:-

### CORPORATE GOVERNANCE – PHILOSOPHY

The Company philosophy on Corporate Governance aims at upholding core value of transparency, professionalism, accountability, honesty and integrity in its functioning and conduct of business with due respect to laws and regulations and attaining highest standard of business ethics and commitment to transparency in business dealings, essential for long term success. It is directed in such a way that it performs effectively keeping in view customers, employees and long term interests and confidence of the stakeholders. It adheres to the code of conduct formulated which serves as a guide to each employee on standards, values, ethics and principles.

### 1. BOARD OF DIRECTORS

The Board composition is in conformity with the relevant provisions of Companies Act, 1956 and requirement of Securities and Exchange Board of India (SEBI) guidelines as amended. The present strength of the Board is Six Directors comprising one Executive Director viz : Managing Director and five Non Executive Directors including Chairman. The Non-Executive Directors are eminent professionals, drawn from amongst persons with experience in business, finance, law and corporate management. None of the Directors on the Board is a Member on more than 10 Committees and Chairman more than 5 Committees (as specified in Clause 49 of the Listing Agreement), across all the Companies in which he/she is a Director. Committees include Audit Committee and Shareholder / Investor Grievance Committee and Transfer Committee. All Directors have certified that the disqualifications mentioned under section 274(1)(g) of the Companies Act, 1956 do not apply to them. The independent Directors are entitled to sitting fees for every meeting of the Board or Committee thereof attended by them.

The composition of the Board during the period is tabulated below :-

| Director                 | Executive/Non- Executive/ Independent | ● Other Directorships held |
|--------------------------|---------------------------------------|----------------------------|
| Mr. Shardul Thacker      | Non-Executive & Independent           | 4                          |
| Capt. C. J. Rodricks     | Managing Director                     | -                          |
| Mr. Carl Holmen          | Non- Executive                        | -                          |
| *Mr. Christophe Armengol | Non-Executive                         | -                          |
| Mr. Georges Michel       | Non-Executive                         | -                          |
| Mrs. Bhavna Doshi        | Non-Executive & Independent           | 3                          |
| *Mrs. Muriel Hurstel     | Non- Executive                        | -                          |
| *Mr. Alain Marion        | Non-Executive                         | -                          |
| *Mr. Gregoire Abele      | Non-Executive                         | -                          |
| *Mr. Emmanuel Fontan     | Non-Executive                         | -                          |

- Excludes directorship in Indian Private Limited Companies, foreign companies and membership of management committees of various chambers/bodies and alternate directorship.

\* Mrs. Muriel Hurstel was appointed as Director on 28<sup>th</sup> October'2011 in place of Mr. Christophe Armengol as nominee of Coflexip Stena Offshore (Mauritius) Limited. Messers Alain Marion and Emmanuel Fontan are Alternate Directors to Messers Carl Holmen and Georges Michel. Mr. Gregoire Abele was Alternate Director to Mr. Christophe Armengol and thereafter to Mrs. Muriel Hurstel.

### 2. AUDIT COMMITTEE

The Audit Committee of the Company at the Board level, interalia, provides assurance to the Board on the adequacy of the internal control system. The Committee periodically review financial reporting process and financial results, statement and disclosures, generally accepted accounting principles and on measures taken in safeguarding of assets of the Company, internal audit reports and internal control systems and procedures. The Committee discusses with Internal Auditors,

Statutory Auditors scope of audit findings of audit, audit qualifications, if any, related party transactions and appraises Board on the above.

The terms of reference of the Audit Committee cover all areas specified under clause 49 (II) of the Listing Agreement with the stock exchanges and Section 292A of the Companies Act, 1956, besides other terms as may be referred by Board of Directors.

The Audit Committee comprises of three members, all members including the Chairman of the Committee are Non-Executive and two-third members are independent. The Chairperson of the Audit Committee is a Chartered Accountant and Fellow Member of the Institute of Chartered Accountants of India having accounting and related financial management expertise. The other Members of the Audit Committee are financially literate. The Statutory Auditor, Internal Auditor and Chief Financial Officer of the Company are the permanent Invitees to all Audit Committee meetings. The Chief Legal Officer & Company Secretary who is in charge of Internal Audit is the Secretary to the Audit Committee. Minutes of the Audit Committee are circulated to all Directors and discussed at the Board Meetings.

The composition of the Audit Committee and the details of meetings held by it are as follows:-

| Director                  | Position    | Meetings held | Meetings Attended |
|---------------------------|-------------|---------------|-------------------|
| Mrs. Bhavna Doshi         | Chairperson | 4             | 4                 |
| Mr. Shardul Thacker       | Member      | 4             | 4                 |
| * Mr. Christophe Armengol | Member      | 4             | 1                 |
| * Mrs. Muriel Hurstel     | Member      | 4             | -                 |
| * Mr. Gregoire Abele      | Member      | 4             | 1                 |

\* Mrs. Muriel Hurstel was appointed as Director on 28<sup>th</sup> October'2011 in place of Mr. Christophe Armengol as nominee of Coflexip Stena Offshore (Mauritius) Limited. Mr. Gregoire Abele was appointed as Alternate Director to Mr. Christophe Armengol and thereafter to Mrs. Muriel Hurstel.

### 3. REMUNERATION COMMITTEE

The Remuneration Committee was constituted with following Directors as Members :

|                     |   |          |
|---------------------|---|----------|
| Mr. Shardul Thacker | : | Chairman |
| Ms. Bhavna Doshi    | : | Member   |
| Mr. Carl Holmen     | : | Member   |
| Ms. Muriel Hurstel  | : | Member   |

The term of reference of Remuneration Committee is to determine specific remuneration package for Executive Director including pension rights and other compensation related matters and issues. The Remuneration of Executive Directors is decided by the Board of Directors on the basis of recommendation of the Remuneration Committee.

### 4. REMUNERATION TO DIRECTORS

| Director(s)             | Designation       | Remuneration paid during the period<br>(All figures in ₹ In thousand) |              |            |               |
|-------------------------|-------------------|---|--------------|------------|---------------|
|                         |                   | Salary & Allowances   | Sitting Fees | Commission | Total         |
| Mr. Shardul Thacker     | Chairman          |   | 300          | -          | 300           |
| Capt. C. J. Rodricks    | Managing Director | 21,720  |              |            | 21,720        |
| Mr. Carl Holmen         | Director          |   |              |            |               |
| Mr. Christophe Armengol | Director          |   |              |            |               |
| Mr. Georges Michel      | Director          |   |              |            |               |
| Mrs. Bhavna Doshi       | Director          |   | 240          | -          | 240           |
| <b>Total</b>            |                   | <b>21,720</b>   | <b>540</b>   |            | <b>22,260</b> |

The company has no pecuniary relationship or transactions with its Non Executive Directors other than payment of sitting fees for attending Board and Committee meetings and payment of Commission applicable under law which has been approved by the shareholders of the company. Non Executive Directors don't hold any shares in the company.

#### 5. SHAREHOLDERS/INVESTORS GRIEVANCE & TRANSFER COMMITTEE

The Company has "SHAREHOLDERS/INVESTORS GRIEVANCE & TRANSFER COMMITTEE" under the chairmanship of a Non-Executive and Independent Director to specifically look into shareholders issues including share transfer, transmission, issue of duplicate certificates and redressing of shareholder complaints like non receipt of balance sheet, etc.

Details of the composition of Shareholders/Investors Grievance & Transfer Committee are as follows:

| Director(s)         | Position | Meetings Held | Meetings Attended |
|---------------------|----------|---------------|-------------------|
| Mr. Shardul Thacker | Chairman | 5             | 5                 |
| Capt C J Rodricks   | Member   | 5             | 5                 |
| Mrs. Bhavna Doshi   | Member   | 5             | 4                 |

M/s. C. B. Management Services (P) Ltd., the Company's Registrar and Share Transfer Agent, among others, expedite the process of transfer of shares under supervision of Chief Legal Officer & Company Secretary. Thereafter, the proposals are placed before the designated Committee.

The Chief Legal Officer & Company Secretary is the Secretary to the Committee and is also the Compliance Officer of the Company.

#### 6. NUMBER OF BOARD MEETINGS AND BOARD PROCEDURES

Your Company's Board met 5 times during the period and details of the meetings are highlighted below. Agenda papers along with explanatory notes were circulated to the Directors well in advance of the meeting. The senior management personnel were invited to participate in matters of interest, importance and relevance. The Board has access to any information within your Company and every effort is made to ensure that the information is adequate and appropriate to enable the Board to take considered decisions on issues.

Your Company has placed all relevant information before the Board as per Annexure IA of Clause 49 of the Listing Agreement.

| Date of Board Meeting | City   |
|-----------------------|--------|
| 25th April'2011       | Mumbai |
| 10th May'2011         | Mumbai |
| 26th July'2011        | Mumbai |
| 28th October'2011     | Dubai  |
| 7th February'2012     | Mumbai |

| Director(s)              | No. of meetings |          | Attended Last A.G.M. |
|--------------------------|-----------------|----------|----------------------|
|                          | Held            | Attended |                      |
| Mr. Shardul Thacker      | 5               | 5        | Yes                  |
| Capt. C. J. Rodricks     | 5               | 5        | Yes                  |
| *Mr. Christophe Armengol | 5               | 1        | No                   |
| Mr. Georges Michel       | 5               | 4        | Yes                  |
| Mrs. Bhavna Doshi        | 5               | 4        | Yes                  |
| Mr. Carl Holmen          | 5               | 1        | No                   |
| *Mrs. Muriel Hurstel     | 5               | -        | No                   |
| *Mr. Alain Marion        | 5               | 1        | Yes                  |
| *Mr. Gregoire Abele      | 5               | 1        | Yes                  |
| *Mr. Emmanuel Fontan     | 5               | -        | No                   |

\*Mrs. Muriel Hurstel was appointed as Director on 28<sup>th</sup> October'2011 in place of Mr. Christophe Armengol as nominee of Coflexip Stena Offshore (Mauritius) Limited. Messers Alain Marion, Gregoire Abele and Emmanuel Fontan are Alternate Directors.

## 7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As a part of the disclosure related to Management, in addition to the Directors' Report, Management Discussion and Analysis Report forms part of the Annual Report to the shareholders as per specifications of SEBI.

## 8. DIRECTORS' MEMBERSHIP/CHAIRMANSHIP IN COMMITTEES

No Director is a member of more than 10 committees or Chairman of more than 5 committees across all companies in which he/She is a Director. The details are as under:

| Director(s)              | No. of Committees |          |
|--------------------------|-------------------|----------|
|                          | Member            | Chairman |
| Mr. Carl Holmen          | 1                 | –        |
| Capt. C. J. Rodricks     | 1                 | –        |
| *Mr. Christophe Armengol | 2                 | –        |
| Mr. Georges Michel       | –                 | –        |
| Mrs. Bhavna Doshi        | 4                 | 2        |
| Mr. Shardul Thacker      | 3                 | 1        |
| *Mrs. Muriel Hurstel     | 2                 | –        |

\*Mrs. Muriel Hurstel was appointed as Director on 28<sup>th</sup> October'2011 in place of Mr. Christophe Armengol as nominee of Coflexip Stena Offshore (Mauritius) Limited.

## 9. DISCLOSURE REGARDING DIRECTORS' APPOINTMENT AND RE-APPOINTMENT

The personal information about the Directors being appointed / reappointed is already mentioned in the Directors Report and in the notice of the meeting convening Annual General Meeting and therefore is not separately mentioned in this report.

## 10. MATERIAL CONTRACTS/TRANSACTIONS CONCERNING DIRECTOR'S INTEREST

There has been no transaction of material nature that may have a potential conflict with interest of your Company during the period under review.

## 11. DISCLOSURE REGARDING SENIOR MANAGEMENT'S MATERIAL FINANCIAL AND COMMERCIAL TRANSACTIONS

There has been no transaction of material ,financial and commercial nature having personal interest of the Senior Management that may have a potential conflict with the interest of the company at large during the period under review.

## 12. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT OF THE COMPANY

In accordance with the requirement of Corporate Governance the Board of Directors of the Company has formulated a code of conduct for Directors and Senior Management of the Company, the compliance of which has been affirmed by all Board Members and Senior Management Personnel. The required declaration to this effect signed by the CEO i.e. Managing Director is appended as a separate Annexure to the report.

## 13. POLICY ON RISK MANAGEMENT

In accordance with the requirement of Corporate Governance the Board of Directors of the Company has adopted a policy on risk management for assessment and minimization procedure of risk for periodical review by the Board.

## 14. CODE FOR PREVENTION OF INSIDER TRADING

In accordance with the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation, 1992, as amended in February, 2002, the Board of Directors of the Company has formulated the code of conduct for prevention of insider trading in shares of the Company by its Directors and employees.

## 15. CEO AND CFO CERTIFICATION

In accordance with the requirement of Corporate Governance Clause 49(VIII) of the Listing Agreement, the Board of Directors of the Company have been furnished with the requisite certificate from the CEO i.e. Managing Director and Chief Financial Officer (CFO) of the Company.

## 16. OTHER DISCLOSURES

### 1. DETAILS OF ANNUAL GENERAL MEETINGS

1.1 Location and time, where last three AGMs held

| Year        | Location | Date       | Time     |
|-------------|----------|------------|----------|
| 2008        | Mumbai   | 21.04.2009 | 4.00 PM. |
| 2009 - 2010 | Mumbai   | 20.07.2010 | 4.00 PM. |
| 2010 - 2011 | Mumbai   | 26.07.2011 | 4.00 PM. |

1.2 Whether special resolution was put through postal ballot last year ? NO

1.3 Are votes proposed to be conducted through postal ballot this year ? NO

### 2. MEANS OF COMMUNICATION

- Half yearly report/highlights sent to each household of shareholders No. Published in specified newspapers.
- Quarterly results, Which newspapers normally published in Economic Times (English)  
Nav Shakti (Marathi)
- Any website, where displayed www.technip.com/entities/seamec-Ltd.
- Whether it also displays official news release N. A.
- Whether MD&A is a part of Annual Report Yes
- Whether Shareholder Information section forms part of the Annual Report Yes

### 3. SHAREHOLDER INFORMATION

1. Annual General Meeting
  - Date and Time : 14<sup>th</sup> August'2012 at 4.30 p.m.
  - Venue : Navinbhai Thakkar auditorium, Shree Vile Parle Gujarati Mandal, Shradhdhanand Road, Vile Parle (E), Mumbai – 400 057
2. Financial Calendar
 

For the Financial Year ended 31.03.2013

  - Financial reporting for the first quarter ending 30<sup>th</sup> June 2012 : 14<sup>th</sup> August'2012
  - Financial reporting for the half year ending 30<sup>th</sup> September, 2012 : <sup>\*</sup>November 2012
  - Financial reporting for the third quarter ending 31<sup>st</sup> December'2012 : <sup>\*</sup>February 2013
  - Financial reporting for the year ending 31<sup>st</sup> March, 2013 : <sup>\*</sup>May 2013
  - Annual General Meeting for the year ending 31<sup>st</sup> March, 2013 : <sup>\*</sup>August 2013

<sup>\*</sup>Tentative
3. Date of Book Closure : 9<sup>th</sup> August'2012 – 14<sup>th</sup> August'2012
4. Registered Office : A 901 – 905, 9<sup>th</sup> Floor, 215 Atrium Andheri Kurla Road, Andheri East, Mumbai - 400 069.  
Tel: (022) 66941800  
Fax: (022) 66941818  
E.mail: Seamec@bom5.vsnl.net.in



**5. Listing Details (Equity Shares)**

: Bombay Stock Exchange Limited,  
1<sup>st</sup> Floor, Rotunda Building, Phiroze  
Jeejeebhoy Towers, Dalal Street,  
Mumbai 400 001.

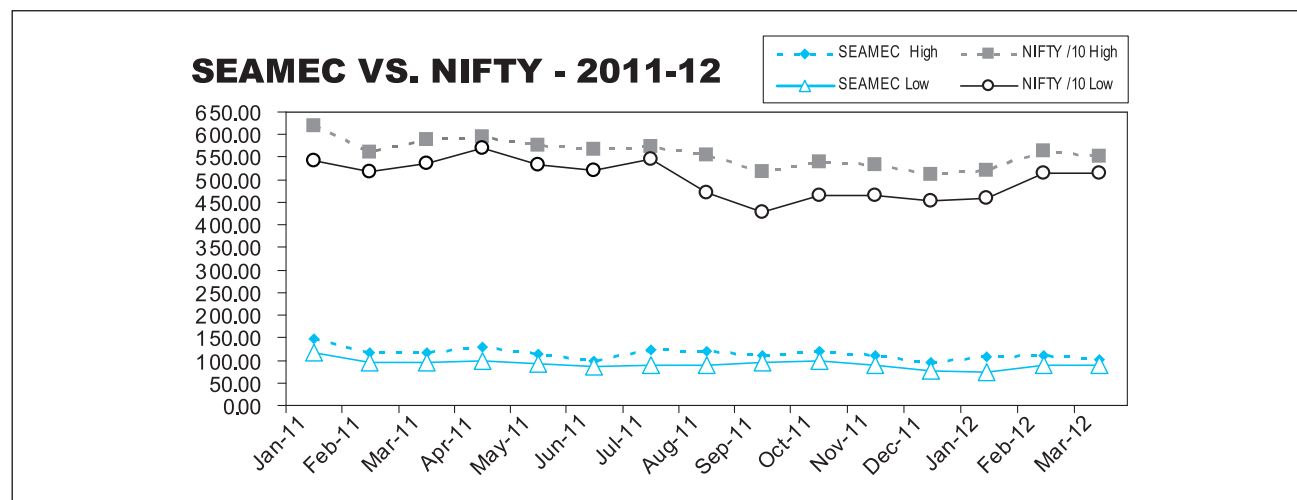
**National Stock Exchange of India Ltd**  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (E),  
Mumbai 400 051

The Company has paid the Listing Fees for the year 2012-2013 to all the Stock Exchanges.

|    |                         |              |            |
|----|-------------------------|--------------|------------|
| 7. | Stock Code :            | Scrip ID     | Scrip Code |
|    | Bombay Stock Exchange   | SEAMECLTD    | 526807     |
|    | National Stock Exchange | SEAMECLTD    |            |
|    | ISIN Code               | INE497B01018 |            |

**8. Stock Price Data :**

| National Stock Exchange |        |        |        |            |
|-------------------------|--------|--------|--------|------------|
| Month                   | High   | Low    | Close  | Av. Volume |
| Apr - 11                | 129.00 | 100.00 | 111.70 | 10210      |
| May - 11                | 113.00 | 93.50  | 98.65  | 3462       |
| Jun - 11                | 100.00 | 85.25  | 90.20  | 5551       |
| July - 11               | 123.00 | 89.90  | 115.00 | 65514      |
| Aug - 11                | 119.25 | 90.05  | 99.60  | 7644       |
| Sept - 11               | 112.00 | 94.35  | 103.00 | 6177       |
| Oct - 11                | 121.50 | 100.05 | 103.10 | 7089       |
| Nov - 11                | 110.80 | 90.30  | 91.45  | 11741      |
| Dec - 11                | 95.60  | 75.50  | 78.20  | 4572       |
| Jan - 12                | 107.90 | 73.65  | 99.15  | 6032       |
| Feb - 12                | 110.50 | 90.25  | 95.20  | 14135      |
| Mar - 12                | 102.80 | 88.70  | 90.30  | 15574      |

**9. Stock Performance (Indexed) :**
**STOCK PERFORMANCE OF SEAMEC VS. NSE INDEX (NIFTY)**


10. Registrar & Transfer Agents : C B Management Services (P) Ltd.  
 2nd Floor P-22, Bondel Road, Kolkata – 700 019  
 Tel No. (033) 40116700/6711/6723  
 Fax no. (033) 40116739  
 E-mail : rta@cbmsl.com  
 Website : www. cbmsl.com
11. Share Transfer System : A Committee of Directors (Shareholders / Investors Grievance & Transfer Committee) has been constituted to approve the transfer and transmission of shares, issue of duplicate share certificates and allied matters. Share certificates in physical form are dispatched within prescribed time limit.
12. Investor Services :Complaints received during the period

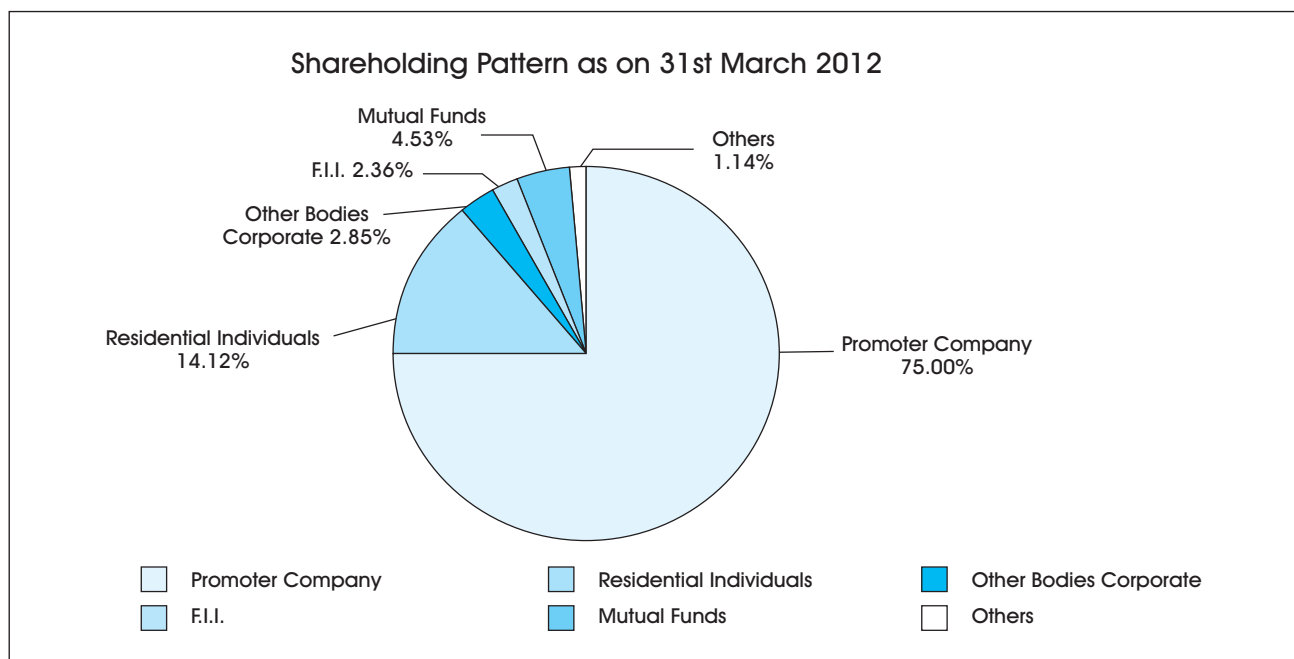
| Nature of complaints  | 2011-12   |           | 2010-2011 |           |
|---|-----------|-----------|-----------|-----------|
|   | Received  | Cleared   | Received  | Cleared   |
| Relating to Transfer, Transmission etc., Dividend, Interest, Redemption etc., Change of address, Demat – Remat and others | 14        | 14        | 19        | 19        |
| Received from SEBI, Stock Exchanges and other statutory authorities   | 6         | 6         | 2         | 2         |
| <b>TOTAL</b>  | <b>20</b> | <b>20</b> | <b>21</b> | <b>21</b> |

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

As on 31.03.2011, there are no pending valid transfer cases.

13. Distribution of Shareholding as on:

| Shares held  | 31.03.2012           |                    |                    |                 | 31.03.2011           |                    |                    |                 |
|--------------|----------------------|--------------------|--------------------|-----------------|----------------------|--------------------|--------------------|-----------------|
|              | No. of share holders | % of share holders | No. of shares held | % share holding | No. of share holders | % of share holders | No. of shares held | % share holding |
| 1-500        | 18,018               | 91.69              | 2,251,189          | 6.64            | 19,091               | 91.75              | 2,363,390          | 6.97            |
| 501-1000     | 901                  | 4.58               | 731,900            | 2.16            | 955                  | 4.59               | 770,363            | 2.27            |
| 1001-2000    | 371                  | 1.89               | 566,661            | 1.67            | 388                  | 1.87               | 592,649            | 1.75            |
| 2001-3000    | 135                  | 0.69               | 343,856            | 1.01            | 144                  | 0.69               | 367,890            | 1.08            |
| 3001-4000    | 45                   | 0.23               | 160,868            | 0.47            | 48                   | 0.23               | 171,332            | 0.51            |
| 4001-5000    | 43                   | 0.22               | 202,090            | 0.60            | 42                   | 0.20               | 196,033            | 0.58            |
| 5001-10000   | 69                   | 0.35               | 500,989            | 1.48            | 71                   | 0.34               | 523,876            | 1.55            |
| 10001& above | 69                   | 0.35               | 29,142,447         | 85.97           | 68                   | 0.33               | 28,914,467         | 85.29           |
| <b>TOTAL</b> | <b>19,651</b>        | <b>100.00</b>      | <b>33,900,000</b>  | <b>100.00</b>   | <b>20,807</b>        | <b>100.00</b>      | <b>33,900,000</b>  | <b>100.00</b>   |



14. Categories of Shareholding as on:

|    | Category                              | 31.03.2012           |                    |                    | 31.03.2011           |                    |                    |
|----|---------------------------------------|----------------------|--------------------|--------------------|----------------------|--------------------|--------------------|
|    |                                       | No. of share holders | No. of shares held | % of share holding | No. of share holders | No. of shares held | % of share holding |
| 01 | Promoter Company                      | 1                    | 25,425,000         | 75.00              | 1                    | 25,425,000         | 75.00              |
| 02 | Directors                             | 1                    | 4,450              | 0.01               | 1                    | 4,450              | 0.01               |
| 03 | Directors Relatives                   | —                    | —                  | —                  | —                    | —                  | —                  |
| 04 | Mutual Funds                          | 7                    | 1,537,229          | 4.53               | 11                   | 1,692,682          | 4.99               |
| 05 | F. I. I.                              | 16                   | 798,831            | 2.36               | 14                   | 462,871            | 1.37               |
| 06 | Financial Institutions                | —                    | —                  | —                  | —                    | —                  | —                  |
| 07 | Central Government / State Government | 1                    | 5,601              | 0.02               | 1                    | 5,601              | 0.02               |
| 08 | N.R.I.                                | 200                  | 151,686            | 0.45               | 232                  | 150,636            | 0.44               |
| 09 | Other Bodies Corporate                | 478                  | 965,290            | 2.85               | 558                  | 1,049,459          | 3.10               |
| 10 | Banks                                 | 4                    | 110,295            | 0.32               | 5                    | 115,935            | 0.34               |
| 11 | Resident Individuals                  | 18,853               | 47,86,620          | 14.12              | 19,874               | 4,869,627          | 14.37              |
| 12 | Clearing Members                      | 86                   | 110,698            | 0.33               | 106                  | 119,424            | 0.35               |
| 13 | Overseas Body Corporate               | 2                    | 300                | 0.00               | 2                    | 300                | 0.00               |
| 14 | Trust                                 | 2                    | 4,000              | 0.01               | 2                    | 4,015              | 0.01               |
|    | <b>TOTAL</b>                          | <b>19651</b>         | <b>339,00,000</b>  | <b>100.00</b>      | <b>20807</b>         | <b>339,00,000</b>  | <b>100.00</b>      |

15. Dematerialisation of Shares & Liquidity : Over 98% of equity shares have been dematerialized as on 31.03.2012. Trading in equity shares of your Company in Stock Exchange is permitted only in dematerialized mode w.e.f. 24<sup>th</sup> August, 2000 as per notification issued by SEBI. To facilitate the investors in having easy access to Demat system, the Company has signed agreements with both the depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

16. Details on use of public fund obtained in the last three years : NIL

17. Investors' Correspondence : Address For correspondence  
 Regd. Office :A 901 – 905, 9th Floor  
 215 Atrium, Andheri Kurla Road, Andheri East,  
 Mumbai - 400 069.  
 Tel: (022) 66941800 Fax: (022) 66941818  
 Email: seamec@bom5.vsnl.net.in  
 OR  
 C B Management Services (P) Ltd.  
 P-22, Bondel Road, 2nd floor, Kolkata – 700 019  
 Tel No. (033) 40116700/6711/6723 Fax : (033) 40116739  
 E-mail : rta@cbmsl.com  
 Website : www.cbmsl.com

Shareholders are advised to register their email address and any changes therein from time to time for sending notice/ documents through email in reference to circular dated 21<sup>st</sup> April of Ministry of Corporate Affairs In addition, registering and corresponding with Registrar and Share Transfer Agents and company through email would speed up response, reduce paper work and also help to redress the complaints on fast track basis. However, for instructions like change of bank mandate, change of address, transfer and transmission of shares etc letters duly signed by the shareholder(s) concerned should be sent otherwise such request cannot be procured by the Registrars.

18. Per Share Data

|                          | 2011-12 | 2010-11  |
|--------------------------|---------|----------|
| EPS (₹)                  | (3.06)  | (19.68)  |
| EPS Growth (%)           | -       | (132.72) |
| CPS (₹)                  | 6.10    | (11.87)  |
| Book Value per share (₹) | 128.82  | 130.02   |

| Share price as on 31 March 2012 | NSE | 92.90 | 89.00 |
|---------------------------------|-----|-------|-------|
|                                 | BSE | 93.90 | 90.10 |

19. Unclaimed Shares : Pursuant to amended Clause 5A of the Listing Agreement, which provides that shares held physically and remained unclaimed by shareholders due to insufficient/ incorrect information or any other reason should be transferred in demat mode to one folio in the name of "Unclaimed Suspense Account" with one of the depository participants. The company is taking steps to issue notices to the concerned shareholders.

20. Disclosures :

- a) Disclosures on materially significant related party transactions appear at the appropriate place in Note 31 of Notes to Accounts.
- b) There was no compliance, penalties or structure imposed on company by any Stock Exchanges, SEBI or any other statutory authority or any matters relating to capital market.



## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

**The Members of SEAMEC LIMITED**

We have examined the compliance of conditions of corporate governance by SEAMEC Limited, for the 12 months period ended on March 31, 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

**For S R Batliboi & Co.**

Chartered Accountants

Firm Registration No. 301003E

sd/-

**per Hemal Shah**

Partner

Membership No. 42650

Place : Mumbai

Date : May 30, 2012

**MANAGEMENT CERTIFICATE ON  
CLAUSE 40 (1D) OF THE LISTING AGREEMENT**

To

**The Members**

**SEAMEC LIMITED**

Dear Sirs,

This is to affirm that the Board of Directors of Seamec Limited has adopted a Code of Conduct for its Directors and Senior Management Personnel in Compliance with the provisions of Clause 49 (1D) of the listing Agreement with the stock Exchanges and Board Members and Senior Management Personnel of the Company have confirmed the compliance of provisions of the said code for the financial year ended 31st March 2012.

**Captain C. J. Rodricks**

Managing Director

Place : Mumbai

Date : May 30, 2012



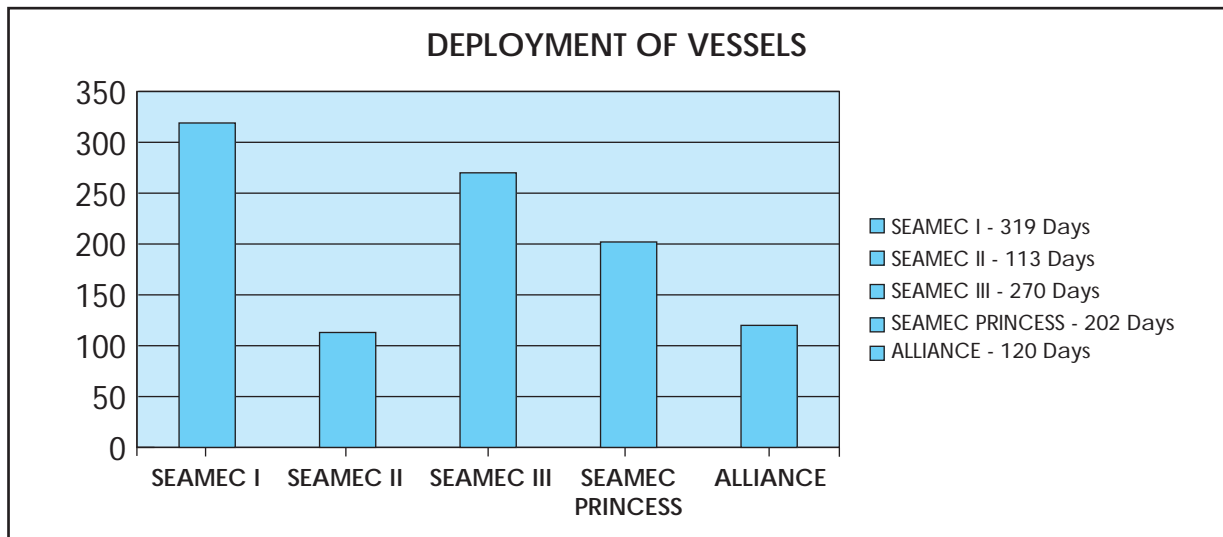
## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### 01. OVERVIEW

The Oil and Gas business has expanded due to increased exploration and production spending and offshore activity. There has been increased activity in pipe line installation as well as fixed platform projects. Deep water activity mainly driven by activity in the Gulf of Mexico, West Africa and Offshore Brazil. Activities in Mediterranean and South East Asia were relatively moderate. Indian Offshore market remained steady. However, the resultant demand for diving vessels has not yet fully materialized.

SEAMEC has been positively impacted under the improved business scenario. Its Vessels worked in South East Asia and India during the year. Vessel utilization was 65% against 49% of last year.

With expected increases in exploration and production spending, Global Oil Companies are likely to take on new projects and increase activities in the SUBSEA market. On a global basis fleet utilization and day rates for Offshore Vessels are forecast to rise, but will vary by asset and region. The outcome of the above should lead to increase utilization of Diving Support Vessels – SEAMEC’s line of business.



### 02. OPPORTUNITIES AND THREATS

2012 – 2013 is expected to be a challenging year for world economy due to certain unexpected changes in some parts of the world.

The Shipping Industry, more particularly offshore segment is expected to have some positive changes.

Indian market holds potential for Offshore activities. Long Term employment is an attractive feature of this market. SEAMEC aims to focus its presence in Indian waters. SEAMEC is exploring the possibility of diversifying in some related fields.

SEAMEC is poised to exploit increased activities in the Gulf of Mexico and Caribbean. In addition, opportunities are being examined in South East Asia. SEAMEC is also actively pursuing opportunities in the Arabian Gulf through its Wholly Owned Subsidiary.

Arbitrary Government intervention emerged as a deterrent in Indian market. Ageing of the vessels remained a concern as age restrictions are being imposed by major Charterers on one hand and on the other hand availability of new Tonnage adds a potential threat.

### 03. BUSINESS SEGMENT ANALYSIS

The only business segment for the Company during the year was Offshore segment.



#### 04. FINANCIAL PERFORMANCE

For meaningful comparison pertinent financial parameters are discussed below: -

(₹ million)

|                        | 2011-12<br>(Twelve months) | 2010-11<br>(Fifteen months) |
|------------------------|----------------------------|-----------------------------|
| Revenue                | 1998                       | 1157                        |
| Operating Expenses     | 1746                       | 1570                        |
| Operating Profit       | 252                        | (413)                       |
| Interest Expenses      | -                          | 1                           |
| Exceptional Items      | -                          | (44)                        |
| Depreciation           | 311                        | 265                         |
| Profit before Tax      | (59)                       | (634)                       |
| Provision Tax Expenses | 45                         | 33                          |
| Net Profit             | (104)                      | (667)                       |
| Debtor/Sales           | 0.56                       | 0.33                        |
| Creditor/Purchase      | 0.19                       | 0.24                        |

##### Comments on Current Year's Performance:

|                         |  |
|-------------------------|--|
| Revenue                 | : Increase in Revenue mainly due to higher utilization of Vessels.   |
| Operating Cost          | : Statutory dry dock cost of one vessel had an impact on the cost. The normal operating cost was not very significant considering utility factor of the vessels.   |
| Operating Profit (Loss) | : Dry docking had an impact on the profitability both on cost as well as absence of revenue for the vessel. However, a major factor that contributed significantly to the incurrence of loss was the detention by Customs of Company's two Vessels from November'2011 to January'2012 which caused loss of revenue by around Rs.280 mil. Net impact of Custom duty on the Books of Accounts was Rs.69 million. |
| Depreciation            | : Vessel SEAMEC II has been upgraded with additional equipment for 3 years Charter. Hence there is an increase in depreciation cost.   |
| Current Tax Exp.        | : The Company is being assessed under Tonnage Tax scheme. Current tax is primarily on the interest income of short term deposits.  |
| Net Profit(Loss)        | : Net loss due to low revenue and dry dock cost of three vessels which expensed out as per Indian GAAP.  |

#### 05 HUMAN RESOURCES

The company's human resource strategy primarily is in line with the group strategy. The company believes that by motivation and values a good Company can be converted to an excellent one. The relations between the employees and the company remained cordial throughout the year. The committed shore based staff provides prompt and efficient support and guidance to the floating staff on a continuous basis, which helps to maintain effective performance and efficiency. In keeping tune with changed business environment, focus is on motivating and retaining key employees of the Company. The Company has 40 employees at its offices and engages through contract around 391 marine crew and officers, in its four vessels. The company continues to focus on safety, training and development of employees.

#### 06 INTERNAL CONTROLS

The Company has an adequate system of internal controls commensurate with its size and nature of the business. Conscious efforts are in place on a continuous basis to ensure that all its assets are safeguarded and protected against loss from unauthorized use and disposal and that all transactions are authorized, recorded and financial statements show a true and fair picture of the state of affairs of the Company.

The internal controls system of the Company are monitored and evaluated by external internal audit, reviewed by Management and Audit Committee of the Board of Directors.



SEAMEC Limited

(₹ Million)

|                                    | 2002            | 2003            | 2004            | 2005            | 2006            | 2007            | 2008            | 2009-10         | 2010-11<br>(15 months) | 2011-12         |
|------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------------|-----------------|
| <b>BALANCE SHEET</b>               |                 |                 |                 |                 |                 |                 |                 |                 |                        |                 |
| <b>SOURCES OF FUNDS</b>            |                 |                 |                 |                 |                 |                 |                 |                 |                        |                 |
| SHARE CAPITAL                      | 339.00          | 339.00          | 339.00          | 339.00          | 339.00          | 339.00          | 339.00          | 339.00          | 339.00                 | 339.00          |
| RESERVE & SURPLUS                  | 745.07          | 837.23          | 1,258.28        | 1,451.51        | 2,037.17        | 2,407.45        | 2,878.66        | 4,798.73        | 4,131.52               | 4027.84         |
| <b>NET WORTH</b>                   | <b>1,059.22</b> | <b>1,213.59</b> | <b>1,538.70</b> | <b>1,790.51</b> | <b>2,376.17</b> | <b>2,746.45</b> | <b>3,217.66</b> | <b>5,137.73</b> | <b>4,470.52</b>        | <b>4366.84</b>  |
| LOAN FUND                          | 339.75          | 198.06          | 86.25           | -               | -               | -               | -               | -               | -                      | -               |
| <b>SOURCES OF FUNDS</b>            | <b>1,398.97</b> | <b>1,411.65</b> | <b>1,624.95</b> | <b>1,790.51</b> | <b>2,376.17</b> | <b>2,746.45</b> | <b>3,217.66</b> | <b>5,137.73</b> | <b>4,470.52</b>        | <b>4366.84</b>  |
| <b>APPLICATION OF FUNDS</b>        |                 |                 |                 |                 |                 |                 |                 |                 |                        |                 |
| GROSS BLOCK OF FIXED ASSET         | 1,940.68        | 1,979.28        | 1,768.02        | 1,827.95        | 2,781.45        | 3,803.19        | 3,974.32        | 4,155.10        | 4,302.05               | 4803.70         |
| RESERVE FOR DEPRECIATION           | 981.41          | 1,093.00        | 979.36          | 1,088.18        | 1,232.37        | 1,409.46        | 1,631.56        | 1,932.14        | 2,176.26               | 2479.61         |
| NET BLOCK OF FIXED ASSETS          | 959.27          | 886.28          | 788.66          | 739.77          | 1,549.08        | 2,393.73        | 2,342.76        | 2,222.96        | 2,125.79               | 2324.09         |
| INVESTMENTS                        | -               | -               | -               | -               | -               | -               | -               | 12.24           | 12.24                  | 25.68           |
| DEBTORS (NET)                      | 158.56          | 227.43          | 148.57          | 226.77          | 293.82          | 268.62          | 529.76          | 349.62          | 385.76                 | 1014.24         |
| TOTAL CURRENT ASSETS               | 571.46          | 629.36          | 1,033.03        | 1,138.40        | 1,078.90        | 1,038.85        | 1,606.32        | 3,446.52        | 2,712.64               | 1717.26         |
| CURRENT LIABILITIES & PROVISION    | 131.76          | 103.99          | 196.74          | 87.66           | 251.81          | 686.12          | 731.42          | 543.99          | 380.48                 | 403.43          |
| NET CURRENT ASSETS                 | 439.70          | 525.37          | 836.29          | 1,050.74        | 827.09          | 352.73          | 874.90          | 2,902.53        | 2,332.16               | 1313.83         |
| <b>APPLICATION OF FUNDS</b>        | <b>1,398.97</b> | <b>1,411.65</b> | <b>1,624.95</b> | <b>1,790.51</b> | <b>2,376.17</b> | <b>2,746.46</b> | <b>3,217.66</b> | <b>5,137.73</b> | <b>4,470.19</b>        | <b>4366.84</b>  |
| <b>PROFIT &amp; LOSS ACCOUNT</b>   |                 |                 |                 |                 |                 |                 |                 |                 |                        |                 |
| REVENUE- Charter Hire              | 1,000.73        | 901.46          | 964.17          | 822.81          | 1,591.33        | 1,704.47        | 2,685.86        | 4,248.41        | 1,023.76               | 1818.27         |
| OTHER INCOME                       | 26.56           | 16.88           | 43.80           | 50.15           | 45.00           | 88.37           | 38.90           | 161.11          | 133.45                 | 179.53          |
| EBITDA before extra ordinary items | 283.15          | 349.35          | 243.96          | 322.46          | 752.82          | 604.23          | 788.78          | 2,398.51        | (410.36)               | 252.35          |
| EXTRA ORDINARY ITEMS               | -               | -               | 114.80          | 12.07           | -               | (7.70)          | (47.23)         | 6.41            | 44.44                  | 0.00            |
| INTEREST EXPENSES                  | 57.33           | 39.73           | 24.21           | 10.41           | 2.73            | 4.23            | 3.76            | 4.80            | 3.85                   | 0.12            |
| DEPRECIATION                       | 131.39          | 135.00          | 126.03          | 112.02          | 149.15          | 189.50          | 254.13          | 321.68          | 264.70                 | 310.72          |
| <b>PROFIT BEFORE TAX</b>           | <b>94.43</b>    | <b>174.63</b>   | <b>208.52</b>   | <b>212.10</b>   | <b>600.94</b>   | <b>402.80</b>   | <b>483.66</b>   | <b>2,078.44</b> | <b>(634.47)</b>        | <b>(58.49)</b>  |
| TAX                                | (5.73)          | 82.47           | (212.54)        | 18.87           | 15.27           | 32.53           | 12.45           | 39.38           | 33.13                  | 45.20           |
| <b>PROFIT AFTER TAX</b>            | <b>100.16</b>   | <b>92.16</b>    | <b>421.06</b>   | <b>193.23</b>   | <b>585.67</b>   | <b>370.27</b>   | <b>471.21</b>   | <b>2,039.06</b> | <b>(667.60)</b>        | <b>(103.69)</b> |

## AUDITORS' REPORT

To

### The Members of SEAMEC Limited

- 1 We have audited the attached Balance Sheet of SEAMEC Limited ('the Company') as at March 31, 2012 and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4 Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
  - (iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (iv) In our opinion, the Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - (v) On the basis of the written representations received from the Directors, as on March 31, 2012, and taken on record by the Board of Directors, we report that none of the Directors of the Company is disqualified as on March 31, 2012 from being appointed as a Director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
    - (b) in the case of the Statement of Profit and Loss Account, of the loss of the Company for the year ended on that date; and
    - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **S.R. BATLIBOI & Co.**  
Chartered Accountants  
Firm Registration No.:301003E

**per Hemal Shah**  
Partner

Membership No.: 42650

Place: Mumbai

Date: May 30, 2012



## Annexure referred to in paragraph 3 of our report of even date Re: SEAMEC Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(a) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (b) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(e) to (g) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for sale of services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) In our opinion, there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(v) of the Order are not applicable to the Company and hence not commented upon.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act for the services of Company.
- (ix) (a) Undisputed statutory dues including provident fund, income-tax, service tax, customs duty, cess and other material statutory dues applicable to it have generally been regularly deposited with the appropriate authorities *except for provident fund of crew members in respect of which there has been a slight delay in a few cases.*
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.

- (x) The Company has no accumulated losses at the end of the financial year and the Company has not incurred cash loss during the year. *However, in the immediately preceding financial year, the Company had incurred cash loss.*
- (xi) The Company has no dues payable to financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company did not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money through a public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

**For S.R. BATLIBOI & Co.**  
Chartered Accountants  
Firm Registration No.:301003E

**per Hemal Shah**  
Partner  
Membership No.: 42650

Place: Mumbai  
Date: May 30, 2012



## BALANCE SHEET

(₹ million)

| Particulars                       | Note No. | As at 31.03.2012 | As at 31.03.2011 |
|-----------------------------------|----------|------------------|------------------|
| <b>I. EQUITY AND LIABILITIES</b>  |          |                  |                  |
| (1) Shareholders' Funds           |          |                  |                  |
| (a) Share Capital                 | 4        | 339.00           | 339.00           |
| (b) Reserves and Surplus          | 5        | 4,027.84         | 4,131.52         |
|                                   |          | 4,366.84         | 4,470.52         |
| (2) Non-Current Liabilities       |          |                  |                  |
| (a) Long term provisions          | 6        | 10.45            | 10.95            |
| (3) Current Liabilities           |          |                  |                  |
| (a) Trade payables                | 7        | 345.48           | 321.82           |
| (b) Other current liabilities     | 8        | 51.65            | 53.94            |
| (c) Short term provision          | 9        | 6.30             | 0.12             |
|                                   |          | 403.43           | 375.88           |
| <b>Total</b>                      |          | <b>4,780.72</b>  | <b>4,857.35</b>  |
| <b>II. ASSETS</b>                 |          |                  |                  |
| (1) Non-current assets            |          |                  |                  |
| (a) Fixed assets                  |          |                  |                  |
| (i) Tangible assets               | 10       | 2,321.74         | 2,018.23         |
| (ii) Intangible assets            | 11       | 2.35             | 0.38             |
| (iii) Capital work-in-progress    | 12       | 0.00             | 95.71            |
| (b) Non-current investments       | 13       | 25.68            | 12.24            |
| (c) Long term loans and advances  | 14       | 688.95           | 52.42            |
|                                   |          | 3,038.72         | 2,178.98         |
| (2) Current assets                |          |                  |                  |
| (a) Inventories                   | 15       | 187.25           | 191.67           |
| (b) Trade receivables             | 16       | 1,014.24         | 385.77           |
| (c) Cash and bank balances        | 17       | 416.29           | 2,024.93         |
| (d) Short-term loans and advances | 18       | 76.18            | 52.74            |
| (e) Other current assets          | 19       | 23.30            | 23.26            |
|                                   |          | 1,717.26         | 2,678.37         |
| Fixed assets held for sale        |          | 24.74            | 0.00             |
|                                   |          | 1,742.00         | 2,678.37         |
| <b>Total</b>                      |          | <b>4,780.72</b>  | <b>4,857.35</b>  |

Summary of significant accounting policies

3

The accompanying notes are an integral part of the financial statements

**For S. R. BATLIBOI & Co.**

Firm Registration No.: 301003E

Chartered Accountants

**per Hemal Shah**

Partner

Membership No.: 42650

**For and on behalf of the Board of Directors of SEAMEC Limited****Captain C.J. Rodricks**

Managing Director

**Bhavna Doshi**

Director

**Swapan S. Biswas**

Chief Financial Officer

**S. N. Mohanty**

Chief Legal Officer &amp; Company Secretary

Place: Mumbai

Date: May 30, 2012

STATEMENT OF PROFIT AND LOSS

(₹ million)

| Particulars  | Note No | Year ended<br>31.03.2012 | Year ended<br>31.03.2011 |
|--|---------|--------------------------|--------------------------|
| <b>INCOME</b>  |         |                          |                          |
| I. Revenue from operations   | 20      | 1,818.27                 | 1,023.76                 |
| II. Other Income   | 21      | 179.53                   | 133.45                   |
| <b>III. Total Revenue (I + II)</b>   |         | <b>1,997.80</b>          | <b>1,157.21</b>          |
| IV. Expenses:  |         |                          |                          |
| Employee benefit expense   | 22      | 620.94                   | 610.79                   |
| Other expenses   | 23      | 1,124.51                 | 959.52                   |
| Finance costs  | 24      | 0.12                     | 1.11                     |
| Depreciation and amortization expense  |         | 310.72                   | 264.70                   |
| <b>Total Expenses</b>  |         | <b>2,056.29</b>          | <b>1,836.12</b>          |
| V. Loss before exceptional items and tax (III - IV)  |         | 58.49                    | 678.91                   |
| VI. Exceptional Items (Refer Note-28)  |         | 0.00                     | 44.44                    |
| VII. Loss before tax (V - VI)  |         | <b>58.49</b>             | <b>634.47</b>            |
| VIII. Tax expense:   |         |                          |                          |
| Current tax (including provision for earlier years - ₹ 0.40, Previous year ₹ Nil)                    |         | 45.20                    | 33.13                    |
| IX. Loss for the year from continuing operations (VIII - IX)   |         | <b>103.69</b>            | <b>667.60</b>            |
| X. Earning per equity share: Nominal value of share Rs 10/- (Previous year ₹ 10/-) (Refer Note - 35) |         |                          |                          |
| (1) Basic  |         | (3.06)                   | (19.69)                  |
| (2) Diluted  |         | (3.06)                   | (19.69)                  |

Significant accounting policies

3

The accompanying notes are an integral part of the financial statements

**For S. R. BATLIBOI & Co.**

Firm Registration No.: 301003E  
Chartered Accountants

**per Hemal Shah**

Partner

Membership No.: 42650

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

**Captain C.J. Rodricks**  
Managing Director

**Bhavna Doshi**  
Director

**Swapan S. Biswas**  
Chief Financial Officer

**S. N. Mohanty**  
Chief Legal Officer & Company Secretary

Place: Mumbai

Date: May 30, 2012





## STATEMENT OF CASH FLOW

(₹ million)

|   | Year ended<br>31.03.2012 | Year ended<br>31.03.2011 |
|---|--------------------------|--------------------------|
| <b>STATEMENT OF CASH FLOWS</b>  |                          |                          |
| Cash flows from operating activities  |                          |                          |
| Profit/(loss) before tax from continuing operations   | (58.49)                  | (634.47)                 |
| Adjusted for  |                          |                          |
| Depreciation and amortisation   | 310.72                   | 264.70                   |
| Profit on sale of assets  | 0.00                     | (0.64)                   |
| Provision-Doubtful Advances   | 1.64                     | 0.00                     |
| Machinery spares consumed   | 14.37                    | 19.92                    |
| Provision for doubtful debts written back   | (0.43)                   | 0.00                     |
| Liability no longer required  | (1.56)                   | (10.63)                  |
| Interest income, net  | (112.52)                 | (95.01)                  |
| Effect of exchange differences on translation of foreign currency cash and cash equivalents | 1.22                     | (3.53)                   |
| Unrealised exchange (gain) / losses   | 13.50                    | 0.00                     |
| Operating profit before working capital changes   | 168.46                   | (459.66)                 |
| Adjusted for (increase) / decrease  |                          |                          |
| Inventories   | 4.42                     | (14.61)                  |
| Trade receivables   | (628.47)                 | (36.14)                  |
| Long term loans and advances  | (652.78)                 | 112.90                   |
| Short-term loans and advances   | (23.44)                  | 17.94                    |
| Other current assets  | (0.04)                   | 0.00                     |
| Long term provisions  | (0.50)                   | 7.44                     |
| Trade payables  | 23.66                    | (27.43)                  |
| Short term provision  | 6.18                     | 0.00                     |
| Other current liabilities   | (2.29)                   | (133.86)                 |
| <b>Cash (utilised) / generated in / from operations</b>                                     | (1,104.80)               | (533.42)                 |
| Direct taxes paid, net of refunds   | (28.55)                  | (16.20)                  |
| <b>Net cash flows (used)/generated in / from operating activities</b>                       | (1,133.35)               | (549.62)                 |
| Cash flows from investing activities  |                          |                          |
| Purchase of tangible assets   | (576.29)                 | (194.96)                 |
| Purchase of intangible assets   | (2.59)                   | 0.00                     |
| Proceeds from sale of fixed assets  | 0.00                     | 0.64                     |
| Investment in fixed deposits for more than 3 months   | 1,584.35                 | 42.40                    |
| Investment in subsidiary  | (13.44)                  | 0.00                     |
| Advance to subsidiary refunded  | 0.00                     | 124.75                   |
| Interest received   | 117.16                   | 92.99                    |
| <b>Net cash used in investing activities</b>  | 1,109.19                 | 65.82                    |
| Cash flows from financing activities  |                          |                          |
| Bank charges  | (0.12)                   | (3.85)                   |
| <b>Net cash used in financing activities</b>  | (0.12)                   | (3.85)                   |
| Effect of exchange differences on translation of foreign currency cash and cash equivalents | (1.22)                   | 3.53                     |
| <b>Net increase / (decrease) in cash and cash equivalents</b>                               | (24.29)                  | (484.12)                 |
| CASH AND BANK BALANCES, beginning of period   | 307.33                   | 791.45                   |
| <b>CASH AND BANK BALANCES, end of period</b>  | 283.04                   | 307.33                   |
| <b>Components of Cash and Cash equivalents ( Refer note:-17):</b>                           | <b>As at 31.03.2012</b>  | <b>As at 31.03.2011</b>  |
| Cash on hand  | 0.10                     | 0.07                     |
| Balances with Scheduled banks   |                          |                          |
| - current accounts  | 60.13                    | 48.63                    |
| - foreign currency accounts   | 21.85                    | 57.65                    |
| - unclaimed dividend account  | 0.96                     | 0.98                     |
| - fixed deposit accounts  | 200.00                   | 200.00                   |
| <b>As per balance sheet</b>   | 283.04                   | 307.33                   |

As per our report of even date

**For S. R. BATLIBOI & Co.**  
Firm Registration No.: 301003E  
Chartered Accountants

**per Hemal Shah**  
Partner  
Membership No.: 42650

Place: Mumbai  
Date: May 30, 2012

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

**Captain C.J. Rodricks**  
Managing Director

**Swapan S. Biswas**  
Chief Financial Officer

**Bhavna Doshi**  
Director

**S. N. Mohanty**  
Chief Legal Officer & Company Secretary

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### 1 Corporate Information

SEAMEC Limited is a public Company incorporated under the Companies Act, 1956. The Company owns and operates four Multi Support Vessels for providing support services including marine, construction and diving services to offshore oilfields.

### 2 Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the *Companies (Accounting Standards) Rules, 2006, (as amended)* and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

### 3 Summary of Significant Accounting Policies

#### (a) Change in accounting policy

##### *Presentation and disclosure of financial statements*

During the year ended 31 March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. Except accounting for dividend on investments in subsidiary companies (see below), the adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

##### *Dividend on investment in subsidiary companies*

Till the year ended 31 March 2011, the company, in accordance with the pre-revised Schedule VI requirement, was recognizing dividend declared by subsidiary companies after the reporting date in the current year's statement of profit and loss if such dividend pertained to the period ending on or before the reporting date. The revised Schedule VI, applicable for financial years commencing on or after 1 April 2011, does not contain this requirement. Hence, to comply with AS 9 Revenue Recognition, the company has changed its accounting policy for recognition of dividend income from subsidiary companies. In accordance with the revised policy, the company recognizes dividend as income only when the right to receive the same is established by the reporting date.

#### (b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### (c) Tangible Fixed Assets

Fixed assets are stated at cost, net of accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Assets held for disposal are stated at lower of their net book value or net realisable value and are shown separately in financial statements.

#### (d) Depreciation on tangible fixed assets

Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the management, which is higher than at the rates prescribed under schedule XIV of the Companies Act, 1956.



| Assets                          | Useful life (In Years) |
|---------------------------------|------------------------|
| Fleet                           | 15 to 20               |
| Fleet Equipments                | 3 to 7                 |
| Lease hold improvements         | 5                      |
| Office Equipments and Computers | 5                      |
| Vehicles                        | 4                      |

Machinery/ insurance spares are depreciated over the balance useful life of the respective asset or the mother vessel, whichever is lower. Fixed assets individually costing less than Rs. 5 thousand are fully depreciated in the year of purchase.

#### (e) Intangible assets

Computer software is capitalised and amortised on a straight-line basis over its useful life, which is estimated as five years.

#### (f) Impairment of tangible and intangible assets

The carrying amounts of all assets are reviewed at each balance sheet date, if there is any indication of impairment based on internal / external factors, whether they are recorded in excess of their recoverable amounts, and where carrying values exceed this estimated recoverable amount, assets are written down to their recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

#### (g) Investments

Investments which are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

#### (h) Inventories

Inventories consist of stores and consumables for use in running of fleets. These are valued at lower of cost and net realizable value. Cost is determined on weighted average basis. Inventory items individually costing less than ₹ 5 thousand are charged to consumption.

#### (i) Cash and cash equivalents

Cash and cash equivalents in cash flow statement comprise cash in hand and at bank in current and foreign currency accounts. Term deposits having maturity of three months or less are considered as cash equivalents.

#### (j) Retirement and other employee benefits

- i. Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective fund.
- ii. Contribution to Superannuation Fund, a defined contribution scheme, is made to the Life Insurance Corporation of India, as per the arrangement with them, and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due.
- iii. Gratuity, a defined benefit scheme is covered by a Group Gratuity cum Life Assurance Policy with Life Insurance Corporation of India ("LIC"). Annual contribution to the fund as determined by LIC is expensed in the year of contribution. The shortfall between the accumulated funds available with LIC and liability as determined on the basis of an actuarial valuation is provided for as at the year-end. The actuarial valuation is done as per projected unit credit method. Actuarial gains/losses are immediately taken to statement of profit and loss as per projected unit credit method and are not deferred.
- iv. Short term compensated absences are provided for based on estimates.
- v. The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based

on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

**(k) Foreign Currency transactions**

**i. Initial recognition**

Foreign currency transactions are recorded in the reporting currency by applying, to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**ii. Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**iii. Exchange differences**

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise.

**iv. Forward Exchange Contracts not intended for trading or speculation purposes**

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the period.

**(l) Income Tax**

Tax expense comprises of Current Tax. Current Income tax liability on shipping income is determined based on the net tonnage of each of its vessels, in accordance with section 115VT of the Income Tax Act, 1961. Income other than shipping income is taxed in accordance with the other provisions of the Income Tax Act, 1961. Further, with the applicability of above section, there is no timing difference between taxable and book profit. Therefore, there is no deferred tax.

**(m) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**i. Charter hire income**

Charter hire income comprises income from charter hire of multi-support vessels and income from supply of marine and diving crew and services. Charter hire revenues are recognised at contracted rates over the charter period. Revenues from supply of crew and services are classified as other operating revenue and recognised on rendering of the service, based on day rate charges as per the terms of the agreements.

**ii. Interest**

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**iii. Claims**

Claims are accounted when it is reasonably certain that the ultimate collections will be received.

**iv. Rental income**

Rental income is accrued on time basis, by reference to agreements entered.

**(n) Operating lease**

Leases where the leaser effectively retains substantially all the risks and benefits of the ownership of the lease term, are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss Account on a straight line basis over the lease term.

**(o) Provisions**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits, will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**(p) Segment Reporting**

i. Primary Business Segments

The Company is primarily engaged in a single segment business of providing support services including marine, construction and diving services to offshore oilfields in India and abroad, and accordingly, this is the only primary reportable segment.

ii. Secondary Geographical Segments

Secondary segmental reporting is based on geographical location of the client. The geographical segment has been disclosed based on revenues within India and revenues outside India.

**(q) Earnings per Share**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of diluted potential equity shares, if any. The Company does not have any diluted equity shares as at the period end.

**(r) Contingent liabilities**

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

(₹ million)

|   | As at 31.03.2012 | As at 31.03.2011 |
|---|------------------|------------------|
| <b>NOTE 4 : SHARE CAPITAL</b>   |                  |                  |
| Authorised<br>50,000,000 (Previous year 50,000,000) equity shares of ₹ 10 each  | <b>500.00</b>    | 500.00           |
| <b>Issued, subscribed and fully paid-up</b><br>33,900,000 (Previous period 33,900,000) equity shares of ₹ 10 each fully paid-up | 339.00           | 339.00           |
|   | <b>339.00</b>    | 339.00           |

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

| Equity shares                        | As at 31/03/2012 |           | As at 31/03/2011 |           |
|--------------------------------------|------------------|-----------|------------------|-----------|
|                                      | No. million      | ₹ million | No. million      | ₹ million |
| At the beginning of the period       | 33.90            | 339.00    | 33.90            | 339.00    |
| Outstanding at the end of the period | 33.90            | 339.00    | 33.90            | 339.00    |

(b) Terms/rights attached to equity shares

The company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in

Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing General Meeting.

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

- (c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates  
Out of equity shares issued by the company, shares held by its holding company are as below:

| All nos. in millions   | 31-Mar-12<br>₹ million | 31-Mar-11<br>₹ million |
|--|------------------------|------------------------|
| Coflexip Stena Offshore (Mauritius) Limited<br>25.425 (31 March 2011: 25.425) equity shares of ₹10 each fully paid | 254.25                 | 254.25                 |

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

| Name of the shareholder                     | As at 31 March 2012 |                        | As at 31 March 2011 |                        |
|---|---------------------|------------------------|---------------------|------------------------|
|   | No. million         | % holding in the class | No. million         | % holding in the class |
| Coflexip Stena Offshore (Mauritius) Limited | 25.425              | 75%                    | 25.425              | 75.00%                 |

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

(₹ million)

|  | As at 31.03.2012       | As at 31.03.2011       |
|--|------------------------|------------------------|
| <b>NOTE-5 : RESERVES AND SURPLUS</b>                       |                        |                        |
| Securities premium account                                 | 501.75                 | 501.75                 |
| General reserve  |                        |                        |
| As per last Balance Sheet                                  | 684.31                 | 273.91                 |
| Add: Transferred from Shipping Reserve (u/s 33AC) utilised | 0.00                   | 351.00                 |
| Add: Transferred from Tonnage Reserve utilised             | 0.00                   | 59.40                  |
|  | <u>684.31</u>          | <u>684.31</u>          |
| Tonnage tax reserve u/s 115VT of Income Tax Act, 1961      |                        |                        |
| Balance as per last Balance Sheet                          | 702.50                 | 702.50                 |
| Shipping reserve (u/s 33AC) utilised                       | 0.00                   | 351.00                 |
| Less: Transferred to General Reserve                       | 0.00                   | 351.00                 |
|  | <u>0.00</u>            | <u>0.00</u>            |
| Tonnage tax reserve utilised                               | 0.00                   | 59.40                  |
| Less: Transferred to General Reserve                       | 0.00                   | 59.40                  |
|  | <u>0.00</u>            | <u>0.00</u>            |
| Statement of profit and loss                               |                        |                        |
| Balance brought forward from previous year                 | 2,242.96               | 2,910.17               |
| Profit and loss for the period                             | (103.69)               | (667.60)               |
| Reversal of dividend distribution tax                      | 0.00                   | 0.39                   |
|  | <u>(103.69)</u>        | <u>(667.21)</u>        |
|  | <b><u>4,027.84</u></b> | <b><u>4,131.52</u></b> |



(₹ million)

|   | As at 31.03.2012 | As at 31.03.2011 |
|---|------------------|------------------|
| <b>NOTE-6 : LONG TERM PROVISIONS</b>  |                  |                  |
| Provision for employee benefits (Leave encashment)  | 10.45            | 10.95            |
|   | <b>10.45</b>     | <b>10.95</b>     |
| <b>NOTE-7: TRADE PAYABLES</b>   |                  |                  |
| Trade payables  | 345.48           | 321.82           |
| As per information available with the Company, there are no dues payable to small, micro and midium enterprises as per MSMED Act, 2006. |                  |                  |
|   | <b>345.48</b>    | <b>321.82</b>    |
| <b>NOTE-8: OTHER CURRENT LIABILITIES</b>  |                  |                  |
| Unclaimed Dividend  | 0.96             | 0.98             |
| Payable to holding Company on account of reimbursements   | 25.75            | 10.71            |
| TDS Payable   | 18.44            | 3.72             |
| Security deposit  | 3.76             | 3.76             |
| Deferred Forward Contract Premium   | 0.91             | 0.00             |
| Other liabilities   | 1.83             | 34.77            |
|   | <b>51.65</b>     | <b>53.94</b>     |
| <b>NOTE-9: SHORT TERM PROVISION</b>   |                  |                  |
| Provision for employee benefits (Leave encashment)  | 6.30             | 0.12             |
|   | <b>6.30</b>      | <b>0.12</b>      |

**NOTE 10. TANGIBLE ASSETS**

(₹ million)

|                         | Fleet and fleet equipment | Machinery spares | Leasehold improvement* | Office equipment | Vehicles    | Total           |
|-------------------------|---------------------------|------------------|------------------------|------------------|-------------|-----------------|
| Cost or valuation       |                           |                  |                        |                  |             |                 |
| <b>At 1 April 2010</b>  | 3,890.64                  | 77.07            | 12.64                  | 16.60            | 4.13        | 4,001.08        |
| Additions               | 209.50                    | 27.38            | 0.00                   | 0.26             | 2.60        | 239.74          |
| Disposals               | (9.74)                    | (30.07)          | 0.00                   | (4.35)           | (2.13)      | (46.29)         |
| <b>At 31 March 2011</b> | 4,090.40                  | 74.38            | 12.64                  | 12.51            | 4.60        | 4,194.53        |
| Additions               | 590.66                    | 37.12            | 0.00                   | 0.21             | 0.00        | 627.99          |
| Disposals               | 0.00                      | (22.52)          | 0.00                   | 0.00             | 0.00        | (22.52)         |
| <b>At 31 March 2012</b> | <b>4,681.06</b>           | <b>88.98</b>     | <b>12.64</b>           | <b>12.72</b>     | <b>4.60</b> | <b>4,800.00</b> |
| Depreciation            |                           |                  |                        |                  |             |                 |
| <b>At 1 April 2010</b>  | 1,881.98                  | 33.31            | 1.45                   | 12.65            | 2.75        | 1,932.14        |
| Additions               | 247.23                    | 12.61            | 2.49                   | 1.30             | 0.85        | 264.48          |
| Disposals               | (3.70)                    | (10.15)          | 0.00                   | (4.35)           | (2.12)      | (20.32)         |
| <b>At 31 March 2011</b> | 2,125.51                  | 35.77            | 3.94                   | 9.60             | 1.48        | 2,176.30        |
| Additions               | 290.76                    | 14.44            | 2.53                   | 1.22             | 1.15        | 310.10          |
| Disposals               | 0.00                      | (8.14)           | 0.00                   | 0.00             | 0.00        | (8.14)          |
| <b>At 31 March 2012</b> | <b>2,416.27</b>           | <b>42.07</b>     | <b>6.47</b>            | <b>10.82</b>     | <b>2.63</b> | <b>2,478.26</b> |
| Net Block               |                           |                  |                        |                  |             |                 |
| <b>At 31 March 2011</b> | 1,964.89                  | 38.61            | 8.70                   | 2.91             | 3.12        | 2,018.23        |
| <b>At 31 March 2012</b> | <b>2,264.79</b>           | <b>46.91</b>     | <b>6.17</b>            | <b>1.90</b>      | <b>1.97</b> | <b>2,321.74</b> |

\* Leasehold improvements are amortised on straight line basis over the primary period of lease.

**NOTE 11. INTANGIBLE ASSETS**

(₹ million)

|                         |      |
|-------------------------|------|
| Computer Software       |      |
| <b>At 1 April 2010</b>  | 1.11 |
| Additions               | 0.00 |
| Disposals               | 0.00 |
| <b>At 31 March 2011</b> | 1.11 |
| Additions               | 2.59 |
| Disposals               | 0.00 |
| <b>At 31 March 2012</b> | 3.70 |
| Depreciation            |      |
| <b>At 1 April 2010</b>  | 0.51 |
| Additions               | 0.22 |
| Disposals               | 0.00 |
| <b>At 31 March 2011</b> | 0.73 |
| Additions               | 0.62 |
| Disposals               | 0.00 |
| <b>At 31 March 2012</b> | 1.35 |
| Net Block               |      |
| <b>At 31 March 2011</b> | 0.38 |
| <b>At 31 March 2012</b> | 2.35 |

(₹ million)

|   | As at 31.03.2012 | As at 31.03.2011 |
|---|------------------|------------------|
| <b>NOTE 12: CAPITAL WORK IN PROGRESS</b>  |                  |                  |
| Capital work - in - progress  | -                | 95.71            |
|   | -                | 95.71            |
| <b>NOTE 13 : NON CURRENT INVESTMENTS</b>  |                  |                  |
| Long term investments (Valued at cost unless otherwise stated)  |                  |                  |
| Trade (unquoted)  |                  |                  |
| Investment in subsidiary  |                  |                  |
| 2 (Previous year :1) fully paid up equity share of AED 1,000,000 each of SEAMEC International FZE (representing 100% equity of the Company) | 25.68            | 12.24            |
|   | <b>25.68</b>     | <b>12.24</b>     |
| Aggregate provision for diminution is value of investments  | Nil              | Nil              |
| <b>NOTE 14: LONG TERM LOANS AND ADVANCES</b>  |                  |                  |
| (Unsecured, considered good unless otherwise stated)  |                  |                  |
| Advance income tax (net of provisions)  | 7.68             | 23.93            |
| Security deposits   | 34.72            | 16.72            |
| Long term loan to wholly owned subsidiary   | 646.55           | 0.00             |
| Capital advances  | 0.00             | 11.77            |
|   | <b>688.95</b>    | <b>52.42</b>     |





(₹ million)

|   | As at 31.03.2012 | As at 31.03.2011 |
|---|------------------|------------------|
| <b>NOTE 15 : INVENTORIES</b>  |                  |                  |
| (at lower of cost and net realisable value)                                 |                  |                  |
| Stores and consumables  | 175.17           | 183.03           |
| Goods in transit - Stores and consumables                                   | 12.08            | 8.64             |
|   | <b>187.25</b>    | <b>191.67</b>    |
| <b>NOTE 16 : TRADE RECEIVABLES</b>  |                  |                  |
| (Unsecured considered good unless stated otherwise)                         |                  |                  |
| Outstanding for more than six months from the date they are due for payment |                  |                  |
| - considered good   | 149.62           | 34.60            |
| - considered doubtful   | 247.78           | 247.78           |
|   | 397.40           | 282.38           |
| Less: Provision for doubtful debts  | 247.78           | 247.78           |
|   | 149.62           | 34.60            |
| Other debts - considered good   | 864.62           | 351.17           |
|   | <b>1,014.24</b>  | <b>385.77</b>    |

(₹ million)

|  | As at 31.03.2012        | As at 31.03.2011 |
|--|-------------------------|------------------|
| <b>NOTE 17 : CASH AND BANK BALANCES</b>  |                         |                  |
| Cash and cash equivalents  |                         |                  |
| Cash on hand   | 0.10                    | 0.07             |
| Balances with scheduled banks  |                         |                  |
| - current accounts   | 60.13                   | 48.63            |
| - foreign currency accounts  | 21.85                   | 57.65            |
| - unclaimed dividend account   | 0.96                    | 0.98             |
| - fixed deposit accounts   |                         |                  |
| - maturity less than 3 months  | 200.00                  | 200.00           |
|  | (a) 283.04              | 307.33           |
| Other bank balances  |                         |                  |
| - Deposits with original maturity for more than 12 months                        | 0.75                    | 0.00             |
| - Deposits with original maturity for more than 3 months but less than 12 months | 132.50                  | 1,717.60         |
|  | (b) 133.25              | 1,717.60         |
|  | (a) + (b) <b>416.29</b> | <b>2,024.93</b>  |
| <b>NOTE 18 : SHORT TERM LOANS AND ADVANCES</b>                                   |                         |                  |
| (Unsecured, considered good unless otherwise stated)                             |                         |                  |
| Loans to employees   | 0.13                    | 0.15             |
| Service tax input credit   | 17.68                   | 24.51            |
| Prepaid expenses   | 24.93                   | 20.04            |
| Insurance claim  | 13.29                   | 0.00             |
| Advance to vendors   | 16.47                   | 3.15             |
| Recoverable from key managerial personnel  | 2.78                    | 0.00             |
| Others   | 0.90                    | 4.89             |
|  | <b>76.18</b>            | <b>52.74</b>     |

(₹ million)

|  | As at 31.03.2012         | As at 31.03.2011         |
|--|--------------------------|--------------------------|
| <b>NOTE 19 : OTHER CURRENT ASSETS</b>      |                          |                          |
| Interest receivable                        | 18.74                    | 23.26                    |
| Forward Contract Receivable                | 4.56                     | 0.00                     |
|  | <b>23.30</b>             | <b>23.26</b>             |
|  |                          |                          |
|  | Year ended<br>31.03.2012 | Year ended<br>31.03.2011 |
| <b>NOTE 20 : REVENUE FROM OPERATIONS</b>   |                          |                          |
| Charterhire income                         | 1,807.85                 | 989.06                   |
| Other operating income                     | 10.42                    | 34.70                    |
|  | <b>1,818.27</b>          | <b>1,023.76</b>          |
| <b>NOTE 21 : OTHER INCOME</b>              |                          |                          |
| Interest from banks                        | 96.69                    | 97.41                    |
| Interest on loan to subsidiary             | 13.34                    | 0.00                     |
| Interest from others                       | 2.61                     | 1.44                     |
| Exchange fluctuation gain (net)            | 59.30                    | 18.85                    |
| Other non-operating income                 | 7.59                     | 15.75                    |
|  | <b>179.53</b>            | <b>133.45</b>            |
| <b>NOTE 22: EMPLOYEE BENEFIT EXPENSES</b>  |                          |                          |
| Salaries, wages and bonus to crew          | 550.24                   | 541.06                   |
| Salaries, wages and bonus to onshore staff | 62.19                    | 57.76                    |
| Contribution to provident and other funds  | 7.40                     | 11.37                    |
| Staff welfare expenses                     | 1.11                     | 0.60                     |
|  | <b>620.94</b>            | <b>610.79</b>            |
| <b>NOTE 23 : OTHER EXPENSES</b>            |                          |                          |
| Victualling and other benefit to crew      | 38.18                    | 37.53                    |
| Sub Contractor Cost- Diving Project        | 204.02                   | 14.75                    |
| Dry dock expenses                          | 130.88                   | 323.78                   |
| Stores and spares consumed                 | 164.37                   | 147.85                   |
| Fuel expenses                              | 125.45                   | 114.32                   |
| Repairs and maintenance - vessels          | 26.30                    | 24.60                    |
| Customs Duty                               | 72.25                    | 0.00                     |
| Crew travelling expenditure                | 36.70                    | 45.34                    |
| Insurance charges                          | 30.38                    | 33.27                    |
| Liquidated Damages                         | 39.29                    | 0.00                     |
| Bareboat Charter                           | 92.06                    | 0.00                     |
| Income Tax Paid Abroad                     | 17.26                    | 0.00                     |
| Security Expenses                          | 0.00                     | 29.80                    |
| Service Tax Expenses                       | 0.00                     | 26.90                    |
| Directors Sitting Fees                     | 0.54                     | 0.48                     |
| Travelling and conveyance                  | 14.59                    | 13.64                    |



(₹ million)

|   | Year ended<br>31.03.2012 | Year ended<br>31.03.2011 |
|---|--------------------------|--------------------------|
| <b>NOTE 23 : OTHER EXPENSES (contd.)</b>    |                          |                          |
| Repairs and maintenance -others             | 2.90                     | 2.20                     |
| Rent  | 24.14                    | 23.15                    |
| Payment to auditors (excluding service tax) |                          |                          |
| As auditor                                  |                          |                          |
| - Audit fees                                | 1.70                     | 1.58                     |
| - Tax audit fees                            | 0.40                     | 0.40                     |
| - Limited review fees                       | 0.43                     | 0.42                     |
| - Out of pocket expenses                    | 0.05                     | 0.04                     |
| Legal & professional fees                   | 6.64                     | 5.61                     |
| Management fees                             | 28.68                    | 22.41                    |
| Bad debts written off                       | 0.00                     | 13.92                    |
| Bank charges                                | 4.19                     | 2.74                     |
| Miscellaneous expenses                      | 63.11                    | 74.79                    |
|   | <b>1,124.51</b>          | <b>959.52</b>            |
| <b>NOTE 24 : FINANCE COSTS</b>              |                          |                          |
| Interest                                    |                          |                          |
| - others                                    | 0.12                     | 1.11                     |
|   | <b>0.12</b>              | <b>1.11</b>              |

**25. Contingent liabilities**

(₹ million)

|  | As at 31.03.2012                  | As at 31.03.2011        |
|--|-----------------------------------|-------------------------|
| (a) Claim against the Company not acknowledge as debts | Refer note<br>(a) (b) & (c) below | Refer note<br>(a) below |

- a The case against the Company alleging violation of Foreign Exchange Regulation Act (FERA), related to acquisition of Land drilling Rig, is pending before the Hon'ble Mumbai High Court. The Company has furnished a Bank Guarantee of ₹ 100 million to the Enforcement Directorate, FERA, towards penalty imposed, as directed by the Hon'ble Mumbai High Court. The bank guarantee is valid till June 30, 2012. No provision is considered necessary in respect of the said penalty as the management believes, based on legal opinion, that there has been no contravention to FERA.
- b During the year, two of company's vessel, Seamec III & Seamec II, were detained by Customs Authority at Mumbai for non-submission of copy of Bill of Entry of original import, purported to have been filed by original importer in 1985 & 1988 respectively. Customs Department subsequently released vessel SEAMEC-III on 30th November 2011 with a condition to furnish copy of Bill of Entry within 30 days. Customs Department seized vessel SEAMEC-II on 1st December 2011 and granted provisional release upon payment of duty on the acquisition cost of the vessel by Company in 1994 along with duty on recent upgradation and dry dock cost carried out abroad, together with a Bank Guarantee of ₹ 270 million and Bond for ₹ 1,350 million. Being aggrieved, the Company filled a writ petition before the Hon'ble High Court at Mumbai. The Hon'ble High Court at Mumbai, vide its order dated January 11, 2012, directed Customs Department to release the vessel SEAMEC-III without any condition and release vessel SEAMEC-II on payment of duty on the recent repairs & upgradation work carried abroad, which company also offered to pay initially, and furnishing bank guarantee of ₹ 82.10 million and Bond for ₹ 821 million, pending adjudication, Hon'ble High Court observed that no duty to be charged on the acquisition cost as the vessel was originally imported prior to 2001 when import duty was not applicable on such vessel. Vessel Seamec III was released on 17th January 2012 and Seamec II on 25th January 2012. Both the vessels are currently deployed for work at Indian Offshore.

- c During the year, the Directorate of Revenue Intelligence (DRI) carried out investigation to ascertain customs duty paid by company on dry-docking and repairs to vessels incurred outside India since 2002. The DRI provisionally assessed customs duty of ₹ 126.60 million which the company has paid under protest and is duly accounted for. The company is contesting the duty as assessed by DRI.

## 26. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ NIL million (Previous year ₹ 141.46 million).

## 27. Trade Receivable

The Company withdrew one of its vessels from a charter hire contract due to commercial disputes. The Company has not recognised revenue of ₹ 281.99 million in respect of contract for the period January 2010 to March 2010 on account of uncertainty relating to acceptance and realisability of claims. Further, the Company has also made a provision of ₹ 239.39 million towards outstanding receivables from the same client on grounds of prudence. The Company has been pursuing legal recourse in Mexican Court.

## 28. Insurance Claim

During the year, the Company has submitted claim of ₹ 13.29 million to Hull & Machinery underwriter towards repairs to thrusters of vessel SEAMEC-III. The claim has since been recommended by Average Adjuster. The Company has accrued the claim as recoverable.

During the previous year the Company has received ₹ 44.44 million from Insurers, towards claims against damage to vessel SEAMEC-II at Curacao Dry Dock in September 2007. The relevant expenditure was expensed to statement of profit and loss, when incurred

## 29. Additional Information pursuant to Part II of Schedule VI to the Companies Act, 1956

### (a) Value of Imported and Indigenous stores, spare parts and fuel consumed

(₹ million)

| Particulars                           | Year Ended    |            | Year ended    |            |
|---------------------------------------|---------------|------------|---------------|------------|
|                                       | 31.03.2012    |            | 31.03.2011    |            |
|                                       | Value         | %          | Value         | %          |
| Imported — Fuel                       | 127.60        |            | 107.29        |            |
| — Spares & Consumables                | 113.70        | 73         | 170.07        | 79         |
| Indigenous — Fuel                     | 31.56         |            | 7.03          |            |
| — Spares & Consumables                | 59.64         | 27         | 67.77         | 21         |
| (above includes consumed in Dry Dock) | <b>332.50</b> | <b>100</b> | <b>352.16</b> | <b>100</b> |

### (b) C.I.F. value of imports

|                   |               |  |               |  |
|-------------------|---------------|--|---------------|--|
| Stores and spares | 127.75        |  | 235.03        |  |
| Capital goods     | 491.68        |  | 163.95        |  |
|                   | <b>619.43</b> |  | <b>398.98</b> |  |

### (c) Expenditure in foreign currency (on accrual basis)

|                       |               |  |               |  |
|-----------------------|---------------|--|---------------|--|
| Dry dock expenses     | 120.35        |  | 235.37        |  |
| Crew costs            | 117.42        |  | 291.55        |  |
| Victualling cost      | 4.95          |  | 12.31         |  |
| Repairs & Maintenance | 0             |  | 19.31         |  |
| Management fees       | 28.68         |  | 22.41         |  |
| Security Expenses     | 0             |  | 29.79         |  |
| Others                | 184.66        |  | 43.10         |  |
|                       | <b>456.05</b> |  | <b>653.84</b> |  |

### (d) Earnings in foreign exchange (on accrual basis)

|                             |                |  |               |  |
|-----------------------------|----------------|--|---------------|--|
| Income from operations      | 1461.00        |  | 540.48        |  |
| Interest on delayed payment | 0              |  | 1.02          |  |
|                             | <b>1461.00</b> |  | <b>541.50</b> |  |

### 30. Segment Information

#### Secondary segment: Geographical Segments

The company's secondary segments are the geographic distribution of activities. Revenue are specified by location of customers, while other geographic information cannot be segregated as explained in note below. The following tables present revenue, expenditure and certain asset information regarding the company's geographical segments:

(₹ million)

| Particulars       | Year Ended 31.03.2012 |          |                 | Year Ended 31.03.2011 |          |                 |
|-------------------|-----------------------|----------|-----------------|-----------------------|----------|-----------------|
|                   | Domestic              | Overseas | Total           | Domestic              | Overseas | Total           |
| <b>Revenue</b>    |                       |          |                 |                       |          |                 |
| Gross Receipts    | 662.36                | 1,155.91 | 1,818.27        | 483.81                | 539.95   | 1,023.76        |
| <b>Results</b>    |                       |          |                 |                       |          |                 |
| Segment Results   | (321.16)              | 144.99   | (176.29)        | (13.10)               | (722.78) | (735.88)        |
| Finance cost      |                       |          | 0.12            |                       |          | 1.11            |
| Interest income   |                       |          | 112.64          |                       |          | 98.86           |
| Rental income     |                       |          | 5.16            |                       |          | 3.66            |
| Tax Expenses      |                       |          | 45.20           |                       |          | 33.13           |
| <b>Net Profit</b> |                       |          | <b>(103.69)</b> |                       |          | <b>(667.60)</b> |

| Other Information* | Year Ended 31.03.2012 |  |          | Year Ended 31.03.2011 |  |          |
|--------------------|-----------------------|--|----------|-----------------------|--|----------|
|                    |                       |  |          |                       |  |          |
| Assets             |                       |  | 4,780.72 |                       |  | 4,851.01 |
| Liabilities        |                       |  | 413.88   |                       |  | 380.48   |
| Capital Employed   |                       |  | 4,366.84 |                       |  | 4,470.53 |

\*Assets used in the Company's business or liabilities contracted have not been identified to any segment, as the assets and services are used interchangeably between segments. Accordingly, no disclosure relating to segment assets and liabilities are made.

### 31. Related Party disclosure

Related party disclosures, as required by Accounting Standard-18 – "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, are given below:-

#### (a) Related Parties with whom transactions have taken place during the year

(₹ million)

| Particulars                           | Technip SA               |       | Seamec International FZE |        | Technip Net SA    |      | Technip UK Limited |        | Technip France    |      |
|---------------------------------------|--------------------------|-------|--------------------------|--------|-------------------|------|--------------------|--------|-------------------|------|
|                                       | Ultimate Holding Company |       | Subsidiary Company       |        | Associate Company |      | Associate Company  |        | Associate Company |      |
| Transaction during the year           | 2012                     | 2011  | 2012                     | 2011   | 2012              | 2011 | 2012               | 2011   | 2012              | 2011 |
| Revenue from operations               | —                        | —     | —                        | —      | —                 | —    | 162.53             | 145.00 | 118.71            | —    |
| Reimbursement Received                | —                        | —     | 7.42                     | 4.00   | —                 | —    | 0.35               | —      | —                 | —    |
| Management Fees expenses              | 21.74                    | 18.49 | —                        | —      | 6.94              | 3.92 | —                  | —      | —                 | —    |
| ESOP Expenses                         | 11.12                    | 3.18  | —                        | —      | —                 | —    | —                  | —      | —                 | —    |
| Management Services income            | —                        | —     | 0.63                     | —      | —                 | —    | —                  | 3.61   | —                 | —    |
| Bareboat Charter expenses             | —                        | —     | 92.06                    | —      | —                 | —    | —                  | —      | —                 | —    |
| Investment in Shares                  | —                        | —     | 13.44                    | —      | —                 | —    | —                  | —      | —                 | —    |
| Share application money received back | —                        | —     | —                        | 124.75 | —                 | —    | —                  | —      | —                 | —    |
| Year end balances                     |                          |       |                          |        |                   |      |                    |        |                   |      |
| Balance payable                       | 13.74                    | 12.41 | 66.74                    | —      | 3.91              | 2.42 | —                  | —      | —                 | —    |
| Balance receivable                    | —                        | —     | —                        | —      | —                 | —    | 93.87              | —      | —                 | —    |

There are no transaction with Coflexip Stena Offshore (Mauritius) Limited, the Holding Company during the current and the previous period.

Key management personnel - Captain C J Rodricks. Managing Director. Total salary & allowances paid to him for the year ended March 31, 2012 ₹ 21.72 million (Previous year ₹ 15.31 million).

In absence of profit during the previous year ended March 31, 2011, not determinable on the date of such approval, the remuneration paid for the previous year was in excess of the requirements of the Companies Act, 1956. The Company has made an application to the Central Government on March 14, 2011 for waiver of the excess remuneration of ₹ 10.51 million. The excess remuneration has been approved by the shareholders at an Extraordinary General Meeting held on October 12, 2011. Ministry of Corporate Affairs, Government of India vide letter dated January 12, 2012 approved ₹ 7.73 million subject to condition that ₹ 2.78 million is recovered from Managing Director. The Company has made a representation to the Central Government for review of its above decision. The decision is pending.

### 32. Disclosure regarding Derivative Instruments and Unhedged Foreign Currency Exposure

- (a) The Company enters into forward exchange contracts being derivative instruments which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables. The Company does not have any losses on the forward contracts entered to hedge firm commitments or highly probable transactions.
- (b) Un-hedged Foreign Currency Exposure

| Particulars       | Year Ended 31.03.2012 |                                       |               | Year Ended 31.03.2011 |                                       |               |
|-------------------|-----------------------|---------------------------------------|---------------|-----------------------|---------------------------------------|---------------|
|                   | Currency              | Amount in Foreign Currency in million | ₹ million     | Currency              | Amount in Foreign Currency in million | ₹ million     |
| Trade Payables    | EURO                  | 0.54                                  | 37.24         | EURO                  | 0.33                                  | 21.12         |
|                   | GBP                   | 0.10                                  | 8.16          | GBP                   | 0.14                                  | 9.88          |
|                   | NOK                   | 0.37                                  | 3.31          | NOK                   | 0.91                                  | 7.37          |
|                   | SGD                   | 0.15                                  | 6.45          | SGD                   | 0.01                                  | 0.49          |
|                   | AED                   | 0.12                                  | 1.71          | AED                   | 0.58                                  | 7.13          |
|                   | USD                   | 3.21                                  | 165.83        | USD                   | 2.92                                  | 130.75        |
|                   | CFA                   | 0.38                                  | 3.85          | CFA                   | —                                     | —             |
|                   |                       | <b>Total</b>                          | <b>226.55</b> |                       | <b>Total</b>                          | <b>176.74</b> |
| Trade Receivables | USD                   | 9.8                                   | 497.97        | USD                   | 6.98                                  | 31.22         |
|                   | EURO                  | 0.00                                  | 0.00          | EURO                  | 0.21                                  | 1.31          |
|                   |                       | <b>Total</b>                          | <b>497.97</b> |                       | <b>Total</b>                          | <b>32.53</b>  |
| Bank balances     | USD                   | 0.43                                  | 21.75         | USD                   | 1.29                                  | 57.35         |
|                   | EURO                  | 0.00                                  | 0.00          | EURO                  | 0.01                                  | 0.31          |
|                   |                       | <b>Total</b>                          | <b>21.75</b>  |                       | <b>Total</b>                          | <b>57.66</b>  |

The Company has entered into forward exchange contract of US\$ 5.50 million to hedge its receivables to be realized at a future date.

### 33 Gratuity and other post-employment benefit plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy. The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

#### Statement of Profit and Loss

Net employee benefit expense (recognised in contribution to provident, gratuity fund and other funds)

(₹ million)

|  | Gratuity              |                       |
|--|-----------------------|-----------------------|
|  | Year Ended 31.03.2012 | Year Ended 31.03.2011 |
| Current service cost                               | 0.69                  | 0.84                  |
| Interest cost on benefit obligation                | 0.72                  | 0.45                  |
| Expected return on plan assets                     | -0.72                 | -0.45                 |
| Net actuarial( gain) / loss recognised in the year | -1.25                 | -0.06                 |
| Past service cost                                  | 0.00                  | 0.00                  |
| Net benefit expense                                | <b>0.56</b>           | <b>-0.78</b>          |
| Actual return on plan assets                       | <b>1.44</b>           | <b>0.31</b>           |

(₹ million)

|   | Gratuity                 |                          |
|---|--------------------------|--------------------------|
|   | Year Ended<br>31.03.2012 | Year Ended<br>31.03.2011 |
| <b>Balance sheet</b>  |                          |                          |
| <b>Details of Provision for gratuity</b>  |                          |                          |
| Defined benefit obligation  | 8.09                     | 8.68                     |
| Fair value of plan assets   | 9.00                     | 9.02                     |
| Surplus / (defecit)   | 0.91                     | 0.33                     |
| Less: Unrecognised past service cost  | 0.00                     | 0.00                     |
| Plan asset / (liability)  | 0.91                     | 0.33                     |
| <b>Changes in the present value of the defined benefit obligation are as follows:</b> |                          |                          |
| Opening defined benefit obligation  | 8.68                     | 5.43                     |
| Interest cost   | 0.72                     | 0.45                     |
| Current service cost  | 0.69                     | 0.84                     |
| Past Service Cost (Vested Benefit) in the year  | 0.00                     | 2.32                     |
| Benefits paid   | -1.46                    | -0.16                    |
| Actuarial (gains) / losses on obligation  | -0.53                    | -0.2                     |
| Closing defined benefit obligation  | 8.1                      | 8.68                     |
| <b>Changes in the fair value of plan assets are as follows:</b>                       |                          |                          |
| Opening fair value of plan assets   | 9.02                     | 5.61                     |
| Expected return   | 0.72                     | 0.45                     |
| Contributions by employer   | 0.00                     | 3.26                     |
| Benefits paid   | -1.46                    | -0.16                    |
| Actuarial gains / (losses)  | 0.72                     | -0.13                    |
| Closing fair value of plan assets   | 9.00                     | 9.03                     |

The Company expects to contribute ₹ 0.00 million to gratuity in 2012-13.

**The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:**

|                          |      |      |
|--------------------------|------|------|
| Investments with insurer | 100% | 100% |
|--------------------------|------|------|

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to the improved stock market scenario.

**The principal assumptions used in determining gratuity for the Company's plans are shown below:**

|                                   |       |       |
|-----------------------------------|-------|-------|
| Discount rate                     | 8.25% | 8.00% |
| Expected rate of return on assets | 8.00% | 7.00% |
| Salary Escalation                 | 7.00% | 7.00% |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**Amounts for the current and previous periods are as follows:**

|   | 31.03.2012 | 31.03.2011 | 31.03.2010 |
|---|------------|------------|------------|
| Defined benefit obligation                | 8.09       | 8.6        | 5.33       |
| Plan assets                               | 9.00       | 9.02       | 5.14       |
| Surplus / (deficit)                       | 0.91       | 0.33       | (0.20)     |
| Experience adjustment on plan liabilities | (0.53)     | (0.20)     | (0.22)     |
| Experience adjustment on plan assets      | 0.72       | (0.13)     | 0.25       |

The information prior to 31.03.2010 is not available and hence not disclosed.

### 34. Leases

#### In case of assets taken on lease

Operating Lease :

Office premises are obtained on operating lease / leave and license. The lease term is for the period of 1 to 9 years and renewable at the option of the Company. There are no restrictions imposed by lease arrangements. The Company has leased out part of office premises on operating lease. The total lease term is for a period of 60 months out of which there is a lock-in period of initial 36 months with non-renewable condition after 60 months.

Minimum lease payments under operating lease / leave and license for period (₹ million)

| Particulars  | Year Ended<br>31.03.2012 | Year Ended<br>31.03.2011 |
|--|--------------------------|--------------------------|
| i. Not later than one year                               | 24.37                    | 21.88                    |
| ii. Later than one year but not later than five years    | 104.35                   | 99.54                    |
| iii. Later than five years                               | 34.96                    | 62.92                    |
| Lease payments recognized in the Profit and Loss Account | 24.13                    | 23.15                    |

The lease fees shall be increased by 15% over the last monthly lease fee paid after completion of every 36 months from the rent commencement date of the lease deed agreement.

Minimum lease receipts under operating lease / leave and license for period

|  |       |       |
|--|-------|-------|
| i. Not later than one year                               | 5.16  | 5.16  |
| ii. Later than one year but not later than five years    | 17.02 | 22.18 |
| iii. Later than five years                               | —     | —     |
| Lease payments recognized in the Profit and Loss Account | 5.16  | 3.66  |

The lease fees shall be increased by 15% over the last monthly lease fee paid after completion of every 36 months from the rent commencement date of the lease deed agreement

### 35. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations: (₹ million)

|  | 31 March 2012   | 31 March 2011   |
|--|-----------------|-----------------|
| Total operations for the year  |                 |                 |
| Loss after tax   | (103.69)        | (667.60)        |
| <b>Less</b> : dividends on convertible preference shares & tax thereon | 0.00            | 0.00            |
| <b>Net profit/ (loss) for calculation of basic and diluted EPS</b>     | <b>(103.69)</b> | <b>(667.60)</b> |

### 36. Previous year figures

Till the year ended 31 March 2011, the company was using pre-revised Schedule VI to the Companies Act 1956, for preparation and presentation of its financial statements. During the year ended 31 March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company. The company has reclassified previous year figures to conform to this year's classification.

**For S. R. BATLIBOI & Co.**  
Firm Registration No.: 301003E  
Chartered Accountants

**per Hemal Shah**  
Partner  
Membership No.: 42650

Place: Mumbai  
Date: May 30, 2012

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

**Captain C.J. Rodricks**  
Managing Director

**Swapan S. Biswas**  
Chief Financial Officer

**Bhavna Doshi**  
Director

**S. N. Mohanty**  
Chief Legal Officer & Company Secretary



## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

### (a) Registration details

|                       |                       |
|-----------------------|-----------------------|
| Registration no:      | L63032MH1986PLC154910 |
| State code:           | 11                    |
| Date of balance sheet | March 31, 2012        |
|                       | (₹ million)           |

### (b) Capital raised during the period

|                         |     |
|-------------------------|-----|
| Public issue:           | Nil |
| Rights issue:           | Nil |
| Bonus issue:            | Nil |
| Preferential allotment: | Nil |

### (c) Position of mobilisation and deployment of funds

|  |       |
|--|-------|
| Total liabilities and shareholder's funds: | 4,367 |
| Total assets:                              | 4,367 |
| <b>Sources of funds</b>                    |       |
| Paid-up capital                            | 339   |
| Reserves & surplus                         | 4,028 |
|  | 4,367 |
| <b>Application of funds</b>                |       |
| Fixed assets                               | 2,322 |
| Intangible assets                          | 2     |
| Investments                                | 26    |
| Net current assets                         | 2,017 |
|  | 4,367 |

### (d) Performance of the company

|                                    |        |
|------------------------------------|--------|
| Turnover (including other income): | 1,998  |
| Total expenditure:                 | 2,056  |
| Profit/(loss) before tax:          | (58)   |
| Profit/(loss) after tax:           | (104)  |
| Earnings per share (in ₹):         | (3.06) |
| Dividend rate (%):                 | 0%     |

### (e) Generic names of three principal products/services of the Company (as per monetary terms)

|                           |  |
|---------------------------|--|
| Item code no. (ITC code): | 890590-09                                      |
| Product description:      | Maintenance of offshore oilfield installations |

## CONSOLIDATED ACCOUNTS OF SEAMEC LIMITED AND ITS SUBSIDIARY AUDITOR'S REPORT

### The Board of Directors

### SEAMEC Limited

1. We have audited the attached consolidated balance sheet of SEAMEC Limited ('the Company'), as at March 31, 2012, and also the consolidated statement of profit and loss and the consolidated cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statement of one subsidiary, whose financial statements reflect total assets of Rs. 738.35 million as at March 31, 2012, the total revenue of Rs. Nil and net cash outflow from operating activities amounting to Rs.10.52 million for the year then ended. This financial statement and other financial information have been audited by other auditor whose report has been furnished to us, and our opinion is based solely on the report of other auditor.
4. We report that the consolidated financial statements have been prepared by the SEAMEC's management in accordance with the requirements of Accounting Standards 21, Consolidated financial statements, notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended).
5. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a. in the case of the consolidated balance sheet, of the state of affairs of the Company as at March 31, 2012;
  - b. in the case of the consolidated statement of profit and loss, of the loss for the year ended on that date; and
  - c. in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

**For S.R. BATLIBOI & Co.**  
Chartered Accountants  
Firm Registration No.:301003E

**per Hemal Shah**  
Partner  
Membership No.: 42650

Place: Mumbai  
Date: May 30, 2012

**CONSOLIDATED BALANCE SHEET**

(₹ million)

| Particulars                        | Note No. | As at 31.03.2012       | As at 31.03.2011       |
|------------------------------------|----------|------------------------|------------------------|
| <b>I. EQUITY AND LIABILITIES</b>   |          |                        |                        |
| <b>(1) Shareholder's Funds</b>     |          |                        |                        |
| (a) Share Capital                  | 4        | 339.00                 | 339.00                 |
| (b) Reserves and Surplus           | 5        | 3,996.17               | 4,127.54               |
|                                    |          | <u>4,335.17</u>        | <u>4,466.54</u>        |
| <b>(2) Non-Current Liabilities</b> |          |                        |                        |
| (a) Long term provisions           | 6        | 10.45                  | 11.00                  |
| <b>(3) Current Liabilities</b>     |          |                        |                        |
| (a) Trade payables                 | 7        | 352.16                 | 314.24                 |
| (b) Other current liabilities      | 8        | 51.65                  | 53.94                  |
| (c) Short term provision           | 9        | 6.30                   | 1.23                   |
|                                    |          | <u>410.11</u>          | <u>369.41</u>          |
| <b>Total</b>                       |          | <b><u>4,755.73</u></b> | <b><u>4,846.95</u></b> |
| <b>II. Assets</b>                  |          |                        |                        |
| <b>(1) Non-current assets</b>      |          |                        |                        |
| <i>(a) Fixed assets</i>            |          |                        |                        |
| (i) Tangible assets                | 10       | 2,978.67               | 2,018.23               |
| (ii) Intangible assets             | 11       | 3.44                   | 0.38                   |
| (iii) Capital work-in-progress     | 12       | 0.00                   | 95.71                  |
| (b) Long term loans and advances   | 13       | 29.60                  | 52.46                  |
|                                    |          | <u>3,011.71</u>        | <u>2,166.78</u>        |
| <b>(2) Current assets</b>          |          |                        |                        |
| (a) Inventories                    | 14       | 187.25                 | 191.67                 |
| (b) Trade receivables              | 15       | 1,014.24               | 385.77                 |
| (c) Cash and bank balances         | 16       | 426.81                 | 2,029.96               |
| (d) Short-term loans and advances  | 17       | 81.05                  | 49.51                  |
| (e) Other current assets           | 18       | 9.93                   | 23.26                  |
|                                    |          | <u>1,719.28</u>        | <u>2,680.17</u>        |
| Fixed assets held for sale         |          | 24.74                  | 0.00                   |
|                                    |          | <u>1,744.02</u>        | <u>2,680.17</u>        |
| <b>Total</b>                       |          | <b><u>4,755.73</u></b> | <b><u>4,846.95</u></b> |

Summary of significant accounting policies

3

The accompanying notes are an integral part of the financial statements

**For S. R. BATLIBOI & Co.**

Firm Registration No.: 301003E

Chartered Accountants

**per Hemal Shah**

Partner

Membership No.: 42650

**For and on behalf of the Board of Directors of SEAMEC Limited**
**Captain C.J. Rodricks**

Managing Director

**Bhavna Doshi**

Director

**Swapan S. Biswas**

Chief Financial Officer

**S. N. Mohanty**

Chief Legal Officer &amp; Company Secretary

Place: Mumbai

Date: May 30, 2012

CONSOLIDATED PROFIT AND LOSS STATEMENT

(₹ million)

| Particulars  | Note No. | Year Ended<br>31.03.2012 | Year Ended<br>31.03.2011 |
|--|----------|--------------------------|--------------------------|
| <b>INCOME</b>  |          |                          |                          |
| I. Revenue from operations   | 19       | 1,817.69                 | 1,023.76                 |
| II. Other Income   | 20       | 162.60                   | 133.45                   |
| <b>III. Total Revenue (I + II)</b>   |          | <b>1,980.28</b>          | <b>1,157.21</b>          |
| <b>IV. Expenses:</b>   |          |                          |                          |
| Employee benefit expense   | 21       | 681.38                   | 610.80                   |
| Other expenses   | 22       | 1,042.71                 | 963.57                   |
| Financial costs  | 23       | 0.12                     | 1.11                     |
| Depreciation and amortization expense  |          | 342.79                   | 264.70                   |
| <b>Total Expenses</b>  |          | <b>2,067.00</b>          | <b>1,840.18</b>          |
| V. Loss before exceptional items and tax (III-IV)  |          | 86.72                    | 682.97                   |
| VI. Exceptional Items (Refer Note - 27)  |          | 0.00                     | 44.44                    |
| VII. Loss before tax (V - VI)  |          | <b>86.72</b>             | <b>638.53</b>            |
| <b>VIII. Tax expense:</b>  |          |                          |                          |
| Current tax (including provision for earlier years - ₹ 0.40, Previous year ₹ Nil-)                       |          | 45.20                    | 33.13                    |
| IX. Loss from the period from continuing operations for the year (VIII-IX)                               |          | <b>131.92</b>            | <b>671.66</b>            |
| <b>X. Earning per equity share: Nominal value of share ₹ 10/- (Previous year ₹ 10/-) (Refer Note 31)</b> |          |                          |                          |
| (1) Basic  |          | (3.89)                   | (19.81)                  |
| (2) Diluted  |          | (3.89)                   | (19.81)                  |

Summary of significant accounting policies

3

The accompanying notes are an integral part of the financial statements

For **S. R. BATLIBOI & Co.**

Firm Registration No.: 301003E

Chartered Accountants

per **Hemal Shah**

Partner

Membership No.: 42650

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

**Captain C.J. Rodricks**

Managing Director

**Bhavna Doshi**

Director

**Swapan S. Biswas**

Chief Financial Officer

**S. N. Mohanty**

Chief Legal Officer & Company Secretary

Place: Mumbai

Date: May 30, 2012



## STATEMENT OF CASH FLOW

(₹ million)

| Particulars   | Year Ended<br>31.03.2012 | Year Ended<br>31.03.2011 |
|---|--------------------------|--------------------------|
| <b>Cash flows from operating activities</b>   |                          |                          |
| Profit/(loss) before tax  | (86.72)                  | (638.52)                 |
| Adjusted for  |                          |                          |
| Depreciation  | 342.79                   | 264.70                   |
| Profit on sale of assets  | 0.00                     | (0.64)                   |
| Assets and Inventory written off / (back)   | 0.00                     | 0.00                     |
| Machinery spares consumed   | 14.37                    | 19.92                    |
| Provision for doubtful debts written back   | (0.43)                   | 0.00                     |
| Liability no longer required  | (1.56)                   | (10.63)                  |
| Interest income, net  | (99.18)                  | (95.00)                  |
| Effect of exchange differences on translation of foreign currency cash and cash equivalents | 1.22                     | (3.53)                   |
| Unrealised exchange (gain) / losses   | 13.44                    | 0.00                     |
| Operating profit before working capital changes   | 183.94                   | (463.70)                 |
| Adjusted for (increase) / decrease  |                          |                          |
| Inventories   | 4.42                     | (14.61)                  |
| Trade receivables   | (684.63)                 | (36.14)                  |
| Other non-current assets  | 36.19                    | 109.62                   |
| Short-term loans and advances   | (26.74)                  | 17.94                    |
| Long term provisions  | (0.50)                   | 7.44                     |
| Trade payables  | 38.35                    | (27.43)                  |
| Short term provision  | 6.18                     | 0.00                     |
| Other current liabilities   | (7.08)                   | (133.86)                 |
| <b>Cash (utilised) / generated in / from operations</b>                                     | <b>(449.87)</b>          | <b>(540.74)</b>          |
| Direct taxes paid, net of refunds   | (28.55)                  | (16.20)                  |
| <b>Net cash flows (used)/generated in / from operating activities</b>                       | <b>(421.32)</b>          | <b>(556.94)</b>          |
| <b>Cash flows from investing activities</b>   |                          |                          |
| Purchase of tangible assets   | (1,347.29)               | (229.76)                 |
| Purchase of intangible assets   | (3.71)                   | 0.00                     |
| Decrease in Capital work in progress  | 95.71                    | 34.80                    |
| Increase in Fixed assets held for sale  | (24.74)                  | 0.00                     |
| Proceeds from sale of fixed assets  | 0.00                     | 0.64                     |
| Investment in / Released of fixed deposits  | 1,584.35                 | 42.40                    |
| Interest received   | 99.30                    | 92.99                    |
| <b>Net cash used in investing activities</b>  | <b>403.62</b>            | <b>(58.93)</b>           |
| <b>Cash flows from financing activities</b>   |                          |                          |
| Finance charges paid  | 0.12                     | (3.85)                   |
| <b>Net cash used in financing activities</b>  | <b>0.12</b>              | <b>(3.85)</b>            |
| Effect of exchange differences on translation of foreign currency cash and cash equivalents | (1.22)                   | 3.53                     |
| <b>Net increase / (decrease) in cash and cash equivalents</b>                               | <b>(17.58)</b>           | <b>(616.19)</b>          |
| CASH AND BANK BALANCES, beginning of period   | 312.36                   | 928.55                   |
| <b>CASH AND BANK BALANCES, end of period</b>  | <b>293.56</b>            | <b>312.36</b>            |
| <b>Components of Cash and Cash equivalents:</b>   | As at 31.03.2012         | As at 31.03.2011         |
| Cash on hand  | 0.11                     | 0.07                     |
| Balances with Scheduled banks   |                          |                          |
| - current accounts  | 70.64                    | 48.63                    |
| - foreign currency accounts   | 21.85                    | 62.68                    |
| - unpaid dividend account   | 0.96                     | 0.98                     |
| - fixed deposit accounts  | 200.00                   | 200.00                   |
| <b>As per balance sheet</b>   | <b>293.56</b>            | <b>312.36</b>            |

As per our report of even date

**For S. R. BATLIBOI & Co.**

Firm Registration No.: 301003E

Chartered Accountants

**per Hemal Shah**

Partner

Membership No.: 42650

**For and on behalf of the Board of Directors of SEAMEC Limited****Captain C.J. Rodricks**

Managing Director

**Bhavna Doshi**

Director

**Swapan S. Biswas**

Chief Financial Officer

**S. N. Mohanty**

Chief Legal Officer &amp; Company Secretary

Place: Mumbai

Date: May 30, 2012

**NOTE TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2012**

**1 Corporate Information**

SEAMEC Limited is a public Company incorporated under the Companies Act, 1956. The Company owns and operates four Multi Support Vessels for providing support services including marine, construction and diving services to offshore oilfields.

**2 Basis of preparation**

The consolidated financial statements of the SEAMEC Limited (the Company) & its subsidiary Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the *Companies (Accounting Standards) Rules, 2006, (as amended)* and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

**3 Summary of Significant Accounting Policies**

**(a) Principles of Consolidation**

- (i) The consolidated financial statements of the group have been prepared in accordance with the Accounting Standard 21 'Consolidated Financial Statements' notified under by the Companies (Accounting Standards) Rules, 2006 (as amended).
- (ii) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financials statements.
- (iii) The financial statements of the Company & its subsidiary have been combined on a line-by-line basis by adding together book values of the like items of assets, liabilities, income & expenses after eliminating all intra group transactions, balances, unrealised surplus and deficits on transactions.
- (iv) The company considered in the consolidated financial statements are listed below:

| Sr. No. | Name of Subsidiary :                              | Proportion of ownership interest either directly or indirectly |                      |
|---------|---|--|----------------------|
|         |   | As on March 31, 2012   | As on March 31, 2011 |
| 1       | Seamec International FZE,<br>United Arab Emirates | 100%   | 100%                 |

**(b) Change in accounting policy**

*Presentation and disclosure of financial statements*

During the year ended 31 March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

**(c) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles (Indian GAAP) requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**(d) Tangible Fixed Assets**

Fixed assets are stated at cost, net of accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Gains or



losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. Assets held for disposal are stated at lower of their net book value or net realisable value and are shown separately in financial statements.

**(e) Depreciation on tangible fixed assets**

Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the management, which is higher than at the rates prescribed under schedule XIV of the Companies Act, 1956.

| <b>Assets</b>                   | <b>Useful life (In Years)</b> |
|---------------------------------|-------------------------------|
| Fleet                           | 15 to 20                      |
| Fleet Equipments                | 3 to 7                        |
| Lease hold improvements         | 5                             |
| Office Equipments and Computers | 5                             |
| Vehicles                        | 4                             |

Machinery/ insurance spares are depreciated over the balance useful life of the respective asset or the mother vessel, whichever is lower. Fixed assets individually costing less than ₹ 5 thousand are fully depreciated in the year of purchase.

**(f) Intangible assets**

Computer software is capitalised and amortised on a straight-line basis over its useful life, which is estimated as five years.

**(g) Impairment of tangible and intangible assets**

The carrying amounts of all assets are reviewed at each balance sheet date, if there is any indication of impairment based on internal / external factors, whether they are recorded in excess of their recoverable amounts, and where carrying values exceed this estimated recoverable amount, assets are written down to their recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

**(h) Investments**

Investments which are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

**(i) Inventories**

Inventories consist of stores and consumables for use in running of fleets. These are valued at lower of cost and net realizable value. Cost is determined on weighted average basis. Inventory items individually costing less than ₹ 5 thousand are charged to consumption.

**(j) Cash and cash equivalents**

Cash and cash equivalents in cash flow statement comprise cash in hand and at bank in current and foreign currency accounts. Term deposits having maturity of three months or less are considered as cash equivalents.

**(k) Retirement and other employee benefits**

- i. Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective fund.
- ii. Contribution to Superannuation Fund, a defined contribution scheme, is made to the Life Insurance Corporation of India, as per the arrangement with them, and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due.

- iii. Gratuity, a defined benefit scheme is covered by a Group Gratuity cum Life Assurance Policy with Life Insurance Corporation of India ("LIC"). Annual contribution to the fund as determined by LIC is expensed in the year of contribution. The shortfall between the accumulated funds available with LIC and liability as determined on the basis of an actuarial valuation is provided for as at the year-end. The actuarial valuation is done as per projected unit credit method. Actuarial gains/losses are immediately taken to statement of profit and loss as per projected unit credit method and are not deferred.
- iv. Short term compensated absences are provided for based on estimates.
- v. The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

**(l) Foreign Currency transactions**

**i. Initial recognition**

Foreign currency transactions are recorded in the reporting currency by applying, to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**ii. Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**iii. Exchange differences**

Exchange differences arising on the settlement of monetary items not covered above or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise.

**iv. Forward Exchange Contracts not intended for trading or speculation purposes**

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the period.

**(m) Income Tax**

Tax expense comprises of Current Tax. Current Income tax liability on shipping income is determined based on the net tonnage of each of its vessels, in accordance with section 115VT of the Income Tax Act, 1961. Income other than shipping income is taxed in accordance with the other provisions of the Income Tax Act, 1961. Further, with the applicability of above section, there is no timing difference between taxable and book profit. Therefore, there is no deferred tax.

**(n) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**i. Charter hire income**

Charter hire income comprises income from charter hire of multi-support vessels and income from supply of marine and diving crew and services. Charter hire revenues are recognised at contracted rates over the charter period. Revenues from supply of crew and services are classified as other operating revenue and recognised on rendering of the service, based on day rate charges as per the terms of the agreements.

**ii. Interest**

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.





**iii. Claims**

Claims are accounted when it is reasonably certain that the ultimate collections will be received.

**iv. Rental income**

Rental income is accrued on time basis, by reference to agreements entered.

**(o) Operating lease**

Leases where the leaser effectively retains substantially all the risks and benefits of the ownership of the lease term, are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss Account on a straight line basis over the lease term.

**(p) Provisions**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits, will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**(q) Segment Reporting**

**i. Primary Business Segments**

The Company is primarily engaged in a single segment business of providing support services including marine, construction and diving services to offshore oilfields in India and abroad, and accordingly, this is the only primary reportable segment.

**ii. Secondary Geographical Segments**

Secondary segmental reporting is based on geographical location of the vessel. The geographical segment has been disclosed based on revenues within India and revenues outside India.

**(r) Earnings per Share**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of diluted potential equity shares, if any. The Company does not have any diluted equity shares as at the period end.

**(s) Contingent liabilities**

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

(₹ million)

|  | As at 31.03.2012 | As at 31.03.2011 |
|--|------------------|------------------|
| <b>NOTE 4 : SHARE CAPITAL</b>  |                  |                  |
| Authorised<br>50,000,000 (Previous year 50,000,000 ) equity shares of ₹ 10 each  | <b>500.00</b>    | 500.00           |
| <b>Issued, subscribed and fully paid-up</b>                                      |                  |                  |
| 33,900,000 (Previous period 33,900,000) equity shares of ₹ 10 each fully paid-up | 339.00           | 339.00           |
|  | <b>339.00</b>    | 339.00           |

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

| <i>Equity shares</i>                 | 31 March 2012 |           | 31 March 2011 |           |
|--------------------------------------|---------------|-----------|---------------|-----------|
|                                      | No. million   | ₹ million | No. million   | ₹ million |
| At the beginning of the period       | 33.90         | 339.00    | 33.90         | 339.00    |
| Outstanding at the end of the period | 33.90         | 339.00    | 33.90         | 339.00    |

- (b) Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing 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 distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- (c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates

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

| All nos. in millions   | 31-Mar-12<br>₹ million | 31-Mar-11<br>₹ million |
|--|------------------------|------------------------|
| Coflexip Stena Offshore (Mauritius) Limited<br>25.425 (31 March 2011: 25.425) equity shares of ₹10 each fully paid | 254.25                 | 254.25                 |

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

| Name of the shareholder                     | As at 31 March 2012 |                        | As at 31 March 2011 |                        |
|---|---------------------|------------------------|---------------------|------------------------|
|   | No. million         | % holding in the class | No. million         | % holding in the class |
| Coflexip Stena Offshore (Mauritius) Limited | 25.425              | 75%                    | 25.425              | 75.00%                 |

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

(₹ million)

|   | As at 31.03.2012       | As at 31.03.2011       |
|---|------------------------|------------------------|
| <b>NOTE-5 : RESERVES AND SURPLUS</b>  |                        |                        |
| Securities premium account  | 501.75                 | 501.75                 |
| Foreign Exchange Flauctuation Reserve   | 0.63                   | 0.07                   |
| General reserve   |                        |                        |
| As per last Balance Sheet   | 684.31                 | 273.91                 |
| Add:Transferred from Shipping Reserve (u/s 33AC) utilised   | 0.00                   | 351.00                 |
| Add:Transferred from Tonnage Reserve utilised   | 0.00                   | 59.40                  |
|   | <u>684.31</u>          | <u>684.31</u>          |
| Tonnage tax reserve u/s 115VT of Income Tax Act, 1961   |                        |                        |
| Balance as per last Balance Sheet   | 702.50                 | 702.50                 |
| Shipping reserve (u/s 33AC) utilised  | 0.00                   | 351.00                 |
| Less: Transferred to General Reserve  | 0.00                   | 351.00                 |
|   | <u>0.00</u>            | <u>0.00</u>            |
| Tonnage tax reserve utilised  | 0.00                   | 59.40                  |
| Less: Transferred to General Reserve  | 0.00                   | 59.40                  |
|   | <u>0.00</u>            | <u>0.00</u>            |
| Profit and loss account   |                        |                        |
| Balance brought forward from previous year  | 2,238.90               | 2,910.17               |
| Profit and loss for the period  | (131.92)               | (671.66)               |
| Reversal of dividend distribution tax   | 0.00                   | 0.39                   |
|   | <u>(131.92)</u>        | <u>(671.27)</u>        |
|   | <b><u>3,996.17</u></b> | <b><u>4,127.54</u></b> |
| <b>NOTE-6 : LONG TERM PROVISIONS</b>  |                        |                        |
| Provision for employee benefits   | 10.45                  | 11.00                  |
|   | <b><u>10.45</u></b>    | <b><u>11.00</u></b>    |
| <b>NOTE-7: TRADE PAYABLES</b>   |                        |                        |
| Trade payables  | 352.16                 | 314.24                 |
| As per information available with the Company, there are no dues payable to small, micro and midium enterprises as per MSMED Act, 2006. |                        |                        |
|   | <b><u>352.16</u></b>   | <b><u>314.24</u></b>   |
| <b>NOTE-8: OTHER CURRENT LIABILITIES</b>  |                        |                        |
| Unclaimed Dividend  | 0.96                   | 0.98                   |
| Payable to holding Company on account of reimbursements   | 25.75                  | 10.71                  |
| TDS Payable   | 18.44                  | 3.72                   |
| Security deposit  | 3.76                   | 3.76                   |
| Deferred Forward Contract Premium   | 0.91                   | 0.00                   |
| Other liabilities   | 1.83                   | 34.77                  |
|   | <b><u>51.65</u></b>    | <b><u>53.94</u></b>    |
| <b>NOTE-9: SHORT TERM PROVISION</b>   |                        |                        |
| Provision for employee benefits   | 6.30                   | 1.23                   |
|   | <b><u>6.30</u></b>     | <b><u>1.23</u></b>     |

**NOTE 10. TANGIBLE ASSETS**

(₹ million)

|                         | Fleet and fleet<br>equipment | Machinery<br>spares | Leasehold<br>improvement | Office<br>equipment | Vehicles | Total    |
|-------------------------|------------------------------|---------------------|--------------------------|---------------------|----------|----------|
| Cost or valuation       |                              |                     |                          |                     |          |          |
| <b>At 1 April 2010</b>  | 3,890.64                     | 77.07               | 12.64                    | 16.60               | 4.13     | 4,001.08 |
| Additions               | 209.50                       | 27.38               | 0.00                     | 0.26                | 2.60     | 239.74   |
| Disposals               | (9.74)                       | (30.07)             | 0.00                     | (4.35)              | (2.13)   | (46.29)  |
| <b>At 31 March 2011</b> | 4,090.40                     | 74.38               | 12.64                    | 12.51               | 4.60     | 4,194.53 |
| Additions               | 1,277.50                     | 37.12               | 0.00                     | 1.65                | 0.69     | 1,316.96 |
| Disposals               | 0.00                         | (22.52)             | 0.00                     | 0.00                | 0.00     | (22.52)  |
| <b>At 31 March 2012</b> | 5,367.90                     | 88.98               | 12.64                    | 14.16               | 5.29     | 5,488.97 |
| <b>Depreciation</b>     |                              |                     |                          |                     |          |          |
| <b>At 1 April 2010</b>  | 1,881.98                     | 33.31               | 1.45                     | 12.65               | 2.75     | 1,932.14 |
| Additions               | 247.23                       | 12.61               | 2.49                     | 1.30                | 0.85     | 264.48   |
| Disposals               | (3.70)                       | (10.15)             | 0.00                     | (4.35)              | (2.12)   | (20.32)  |
| <b>At 31 March 2011</b> | 2,125.51                     | 35.77               | 3.94                     | 9.60                | 1.48     | 2,176.30 |
| Additions               | 322.64                       | 14.44               | 2.53                     | 1.38                | 1.16     | 342.14   |
| Disposals               | 0.00                         | (8.14)              | 0.00                     | 0.00                | 0.00     | (8.14)   |
| <b>At 31 March 2012</b> | 2,448.15                     | 42.07               | 6.47                     | 10.98               | 2.64     | 2,510.30 |
| <b>Net Block</b>        |                              |                     |                          |                     |          |          |
| <b>At 31 March 2011</b> | 1,964.89                     | 38.61               | 8.70                     | 2.91                | 3.12     | 2,018.23 |
| <b>At 31 March 2012</b> | 2,919.75                     | 46.91               | 6.17                     | 3.18                | 2.65     | 2,978.67 |

**NOTE.11. INTANGIBLE ASSETS**

**Software Cost or valuation**

|                         |      |
|-------------------------|------|
| <b>At 1 April 2010</b>  | 1.11 |
| Additions               | 0.00 |
| Disposals               | 0.00 |
| <b>At 31 March 2011</b> | 1.11 |
| Additions               | 3.71 |
| Disposals               | 0.00 |
| <b>At 31 March 2012</b> | 4.82 |
| <b>Depreciation</b>     |      |
| <b>At 1 April 2010</b>  | 0.51 |
| Additions               | 0.22 |
| Disposals               | 0.00 |
| <b>At 31 March 2011</b> | 0.73 |
| Additions               | 0.65 |
| Disposals               | 0.00 |
| <b>At 31 March 2012</b> | 1.38 |
| <b>Net Block</b>        |      |
| <b>At 31 March 2011</b> | 0.38 |
| <b>At 31 March 2012</b> | 3.44 |

(₹ million)

|  | As at 31.03.2012      | As at 31.03.2011 |
|--|-----------------------|------------------|
| <b>NOTE 12: CAPITAL WORK IN PROGRESS</b>   |                       |                  |
| Capital work - in - progress   | 0.00                  | 95.71            |
|  | <u>0.00</u>           | <u>95.71</u>     |
| <b>NOTE 13: LONG TERM LOANS AND ADVANCES</b>                                     |                       |                  |
| (Unsecured, considered good unless otherwise stated)                             |                       |                  |
| Advance income tax (net of provisions)   | 7.68                  | 23.93            |
| Security deposits  | 21.92                 | 16.72            |
| Capital advances   | 0.00                  | 11.81            |
|  | <u>29.60</u>          | <u>52.46</u>     |
| <b>NOTE 14 : INVENTORIES</b>   |                       |                  |
| (at lower of cost and net realisable value)                                      |                       |                  |
| Stores and consumables   | 175.17                | 183.03           |
| Goods in transit - Stores and consumables  | 12.08                 | 8.64             |
|  | <u>187.25</u>         | <u>191.67</u>    |
| <b>NOTE 15 : TRADE RECEIVABLES</b>   |                       |                  |
| (Unsecured considered good unless stated otherwise)                              |                       |                  |
| Outstanding for more than six months   |                       |                  |
| - considered good  | 149.62                | 34.60            |
| - considered doubtful  | 247.78                | 247.78           |
|  | 397.40                | 282.38           |
| Other debts - considered good  | 864.62                | 351.17           |
|  | 1,262.02              | 633.55           |
| Less: Provision for doubtful debts   | 247.78                | 247.78           |
|  | <u>1,014.24</u>       | <u>385.77</u>    |
| <b>NOTE 16 : CASH AND BANK BALANCES</b>  |                       |                  |
| Cash and cash equivalents  |                       |                  |
| Cash on hand   | 0.11                  | 0.07             |
| Balances with scheduled banks  |                       |                  |
| - current accounts   | 70.64                 | 48.63            |
| - foreign currency accounts  | 21.85                 | 62.68            |
| - unpaid dividend account  | 0.96                  | 0.98             |
| - fixed deposit accounts   | 200.00                | 200.00           |
|  | (a) 293.56            | 312.36           |
| <b>Other bank balances</b>   |                       |                  |
| - Deposits with original maturity for more than 12 months                        | 0.75                  | 0.00             |
| - Deposits with original maturity for more than 3 months but less than 12 months | 132.50                | 1,717.60         |
|  | (b) 133.25            | 1,717.60         |
|  | (a)+(b) <u>426.81</u> | <u>2,029.96</u>  |

(₹ million)

|  | As at 31.03.2012 | As at 31.03.2011 |
|--|------------------|------------------|
| <b>NOTE 17 : SHORT TERM LOANS AND ADVANCES</b>       |                  |                  |
| (Unsecured, considered good unless otherwise stated) |                  |                  |
| Loans to employees                                   | 0.13             | 0.15             |
| Service tax input credit                             | 17.68            | 24.51            |
| Prepaid expenses                                     | 29.80            | 20.04            |
| Insurance claim                                      | 13.29            | 0.00             |
| Advance to vendors                                   | 16.47            | 3.15             |
| Recoverable from key managerial personnel            | 2.78             | 0.00             |
| Others   | 0.90             | 1.66             |
|  | <b>81.05</b>     | <b>49.51</b>     |
| <b>NOTE 18 : OTHER CURRENT ASSETS</b>                |                  |                  |
| Interest receivable                                  | 5.37             | 23.26            |
| Forward Contract Receivable                          | 4.56             | 0.00             |
|  | <b>9.93</b>      | <b>23.26</b>     |

|  | Year ended<br>31.03.2012 | Year ended<br>31.03.2011 |
|--|--------------------------|--------------------------|
| <b>NOTE 19 : INCOME FROM OPERATIONS</b>    |                          |                          |
| Charterhire income                         | 1,807.27                 | 989.06                   |
| Other operating income                     | 10.42                    | 34.70                    |
|  | <b>1,817.69</b>          | <b>1,023.76</b>          |
| <b>NOTE 20 : OTHER INCOME</b>              |                          |                          |
| Interest from banks                        | 96.69                    | 97.41                    |
| Interest from others                       | 2.61                     | 1.44                     |
| Exchange fluctuation gain                  | 55.70                    | 18.85                    |
| Other non-operating income                 | 7.59                     | 15.75                    |
|  | <b>162.60</b>            | <b>133.45</b>            |
| <b>NOTE 21: EMPLOYEE BENEFIT EXPENSES</b>  |                          |                          |
| Salaries, wages and bonus to crew          | 609.42                   | 541.07                   |
| Salaries, wages and bonus to onshore staff | 63.35                    | 57.76                    |
| Contribution to provident, and other funds | 7.40                     | 11.37                    |
| Staff welfare expenses                     | 1.21                     | 0.60                     |
|  | <b>681.38</b>            | <b>610.80</b>            |

(₹ million)

|  | Year ended<br>31.03.2012 | Year ended<br>31.03.2011 |
|--|--------------------------|--------------------------|
| <b>NOTE 22 : OTHER EXPENSES</b>                    |                          |                          |
| <b>Operating Expenses</b>                          |                          |                          |
| Victualling and other benefit to crew              | 38.29                    | 37.53                    |
| Sub Contractor Cost- Diving Project                | 204.02                   | 14.75                    |
| Dry dock expenses                                  | 130.88                   | 323.78                   |
| Stores and spares consumed                         | 164.65                   | 151.93                   |
| Fuel expenses                                      | 125.45                   | 114.32                   |
| Repairs and maintenance - vessels                  | 26.30                    | 24.60                    |
| Customs Duty                                       | 72.25                    | 0.00                     |
| Crew travelling expenditure                        | 36.71                    | 45.34                    |
| Insurance charges                                  | 33.08                    | 33.27                    |
| Liquidated Damages                                 | 39.29                    | 0.00                     |
| Income Tax Paid Abroad                             | 17.26                    | 0.00                     |
| Security Expenses                                  | 0.00                     | 29.80                    |
| Service Tax Expenses                               | 0.00                     | 26.90                    |
| Directors Sitting Fees                             | 0.54                     | 0.48                     |
| Travelling and conveyance                          | 14.85                    | 13.64                    |
| Repairs and maintenance -others                    | 3.01                     | 2.20                     |
| Rent   | 27.51                    | 23.15                    |
| <u>Payment to auditors (excluding service tax)</u> |                          |                          |
| As auditor   |                          |                          |
| - Audit fees                                       | 2.27                     | 1.58                     |
| - Tax audit fees                                   | 0.40                     | 0.40                     |
| - Limited review fees                              | 0.43                     | 0.42                     |
| - Out of pocket expenses                           | 0.05                     | 0.04                     |
| Legal & professional fees                          | 6.64                     | 5.61                     |
| Management fees                                    | 28.68                    | 22.41                    |
| Bad debts written off                              | 0.00                     | 13.92                    |
| Bank charges                                       | 4.56                     | 2.74                     |
| Miscellaneous expenses                             | 65.61                    | 74.76                    |
|  | <b>1,042.71</b>          | <b>963.57</b>            |
| <b>NOTE 23 : FINANCIAL COSTS</b>                   |                          |                          |
| Interest   |                          |                          |
| - others   | 0.12                     | 1.11                     |
|  | <b>0.12</b>              | <b>1.11</b>              |

#### 24. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ NIL million (Previous period ₹141.46 million).

**25. Contingent Liabilities**

(₹ million)

|  | As at 31.03.2012                  | As at 31.03.2011     |
|--|-----------------------------------|----------------------|
| Claim against the Company not acknowledge as debts | Refer note (i) (ii) & (iii) below | Refer note (i) below |

- (i) The case against the Company alleging violation of Foreign Exchange Regulation Act (FERA), related to acquisition of Land drilling Rig, is pending before the Hon'ble Mumbai High Court. The Company has furnished a Bank Guarantee of ₹ 100 million to the Enforcement Directorate, FERA, towards penalty imposed, as directed by the Hon'ble Mumbai High Court. The bank guarantee is valid till June 30, 2012. No provision is considered necessary in respect of the said penalty as the management believes, based on legal opinion, that there has been no contravention to FERA.
- (ii) During the year, two of company's vessel, Seamec III & Seamec II, were detained by Customs Authority at Mumbai for non-submission of copy of Bill of Entry of original import, purported to have been filed by original importer in 1985 & 1988 respectively. Customs Department subsequently released vessel SEAMEC-III on 30th November 2011 with a condition to furnish copy of Bill of Entry within 30 days. Customs Department seized vessel SEAMEC-II on 1st December 2011 and granted provisional release upon payment of duty on the acquisition cost of the vessel by Company in 1994 along with duty on recent upgradation and dry dock cost carried out abroad, together with a Bank Guarantee of ₹ 270 million and Bond for ₹ 1,350 million. Being aggrieved, the Company filled a writ petition before the Hon'ble High Court at Mumbai. The Hon'ble High Court at Mumbai, vide its order dated January 11, 2012, directed Customs Department to release the vessel SEAMEC-III without any condition and release vessel SEAMEC-II on payment of duty on the recent repairs & upgradation work carried abroad, which company also offered to pay initially, and furnishing bank guarantee of ₹ 82.10 million and Bond for ₹ 821 million, pending adjudication. Hon'ble High Court observed that no duty to be charged on the acquisition cost as the vessel was originally imported prior to 2001 when import duty was not applicable on such vessel. Vessel Seamec III was released on 17th January 2012 and Seamec II on 25th January 2012. Both the vessels are currently deployed for work at Indian Offshore.
- (iii) During the year, the Directorate of Revenue Intelligence (DRI) carried out investigation to ascertain customs duty paid by company on dry-docking and repairs to vessels incurred outside India since 2002. The DRI provisionally assessed customs duty of ₹ 126.60 million which the company has paid under protest and is duly accounted for. The company is contesting the duty as assessed by DRI.

**26. Trade Receivables**

The Company withdrew one of its vessels from a charter hire contract due to commercial disputes. The Company has not recognised revenue of ₹ 281.99 million in respect of contract for the period January 2010 to March 2010 on account of uncertainty relating to acceptance and realisability of claims. Further, the Company has also made a provision of ₹ 239.39 million towards outstanding receivables from the same client on grounds of prudence. The Company has been pursuing legal recourse in Mexican Court.

**27. Insurance Claim**

During the year, the Company has submitted claim of ₹ 13.29 million to Hull & Machinery underwriter towards repairs to thrusters of vessel SEAMEC-III. The claim has since been recommended by Average Adjuster. The Company has accrued the claim as recoverable. During the previous year the Company has received ₹ 44.44 million from Insurers, towards claims against damage to vessel SEAMEC-II at Curacao Dry Dock in September 2007. The relevant expenditure was expensed to profit and loss account when incurred

**28. Segment Information**

(₹ million)

| Particulars       | Year Ended 31.03.2012 |          |                 | Year Ended 31.03.2011 |          |                 |
|-------------------|-----------------------|----------|-----------------|-----------------------|----------|-----------------|
|                   | Domestic              | Overseas | Total           | Domestic              | Overseas | Total           |
| <b>Revenue</b>    |                       |          |                 |                       |          |                 |
| Gross Receipts    | 662.36                | 1,155.33 | 1,817.69        | 483.81                | 539.95   | 1,023.76        |
| <b>Results</b>    |                       |          |                 |                       |          |                 |
| Segment Results   | (321.16)              | 130.10   | (191.06)        | (12.90)               | (727.04) | (739.94)        |
| Finance cost      |                       |          | 0.12            |                       |          | 1.11            |
| Interest income   |                       |          | 99.30           |                       |          | 98.86           |
| Rental income     |                       |          | 5.16            |                       |          | 3.66            |
| Tax Expenses      |                       |          | 45.2            |                       |          | 33.13           |
| <b>Net Profit</b> |                       |          | <b>(131.92)</b> |                       |          | <b>(671.66)</b> |



|                           | Year Ended 31.03.2012 |  |                 | Year Ended 31.03.2011 |  |                 |
|---------------------------|-----------------------|--|-----------------|-----------------------|--|-----------------|
| <b>Other Information*</b> |                       |  |                 |                       |  |                 |
| Assets                    |                       |  | 4,755.73        |                       |  | 4,847.02        |
| Liabilities               |                       |  | 420.56          |                       |  | 380.48          |
| <b>Capital Employed</b>   |                       |  | <b>4,335.17</b> |                       |  | <b>4,466.54</b> |

\*Assets used in the Company's business or liabilities contracted have not been identified to any segment, as the assets and services are used interchangeably between segments. Accordingly, no disclosure relating to segment assets and liabilities are made.

## 29 Related party disclosure

Related party disclosures, as required by Accounting Standard-18 – "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, are given below:-

### (a) Related Parties with whom transactions have taken place during the year

(₹ million)

| Particulars                   | Technip SA               |       | Technipnet SA     |      | Technip UK Limited |        | Technip France    |        |
|-------------------------------|--------------------------|-------|-------------------|------|--------------------|--------|-------------------|--------|
|                               | Ultimate Holding Company |       | Associate Company |      | Associate Company  |        | Associate Company |        |
| Relationship                  |                          |       |                   |      |                    |        |                   |        |
| Transaction during the period | 2012                     | 2011  | 2012              | 2011 | 2012               | 2011   | 2012              | 2011   |
| Revenue from operations       | —                        | —     | —                 | —    | 162.53             | 145.00 | 118.71            | 145.00 |
| Reimbursement Received        | —                        | —     | —                 | —    | 0.35               | —      | —                 | —      |
| Management Fees expenses      | 21.74                    | 18.49 | 6.94              | 3.92 | —                  | —      | —                 | —      |
| ESOP Expenses                 | 11.12                    | 3.18  | —                 | —    | —                  | —      | —                 | —      |
| Expatriate Crew Cost          | —                        | —     | —                 | —    | 55.96              | —      | —                 | —      |
| Management Services income    | —                        | —     | —                 | —    | —                  | —      | —                 | 3.61   |
| Balance payable               | 13.74                    | 12.41 | 3.91              | 2.42 | 55.96              | —      | —                 | —      |
| Balance receivable            | —                        | —     | —                 | —    | 93.87              | —      | —                 | —      |

There are no transaction with Coflexip Stena Offshore (Mauritius) Limited the Holding Company during the current and the previous period.

Key management personnel - Captain C J Rodricks. Managing Director. Total salary & allowances paid to him for the year ended March 31, 2012 ₹ 21.72 million (Previous year ₹ 15.31 million).

In absence of profit during the previous year ended March 31, 2011, not determinable on the date of such approval, the remuneration paid for the previous year was in excess of the requirements of the Companies Act, 1956. The Company has made an application to the Central Government on March 14, 2011 for waiver of the excess remuneration of ₹ 10.51 million. The excess remuneration has been approved by the shareholders at an Extraordinary General Meeting held on October 12, 2011. Ministry of Corporate Affairs, Government of India vide letter dated January 12, 2012 approved ₹ 7.73 million subject to condition that ₹ 2.78 million is recovered from Managing Director. The Company has made a representation to the Central Government for review of its above decision. The decision is pending.

30 Disclosure regarding Derivative Instruments and Unhedged Foreign Currency Exposure

(a) The Company enters into forward exchange contracts being derivative instruments which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables. The Company does not have any losses on the forward contracts entered to hedge firm commitments or highly probable transactions

(b) Un-hedged Foreign Currency Exposure

|                  | Year Ended 31.03.2012 |                                       |               | Year Ended 31.03.2011 |                                       |               |
|------------------|-----------------------|---------------------------------------|---------------|-----------------------|---------------------------------------|---------------|
|                  | Currency              | Amount in Foreign Currency in million | ₹ million     | Currency              | Amount in Foreign Currency in million | ₹ million     |
| Trade Payables   | EURO                  | 0.54                                  | 37.24         | EURO                  | 0.33                                  | 21.12         |
|                  | GBP                   | 0.10                                  | 8.16          | GBP                   | 0.14                                  | 9.88          |
|                  | NOK                   | 0.37                                  | 3.31          | NOK                   | 0.91                                  | 7.37          |
|                  | SGD                   | 0.15                                  | 6.45          | SGD                   | 0.01                                  | 0.49          |
|                  | AED                   | 0.12                                  | 1.71          | AED                   | 0.58                                  | 7.13          |
|                  | USD                   | 3.21                                  | 165.83        | USD                   | 2.92                                  | 130.75        |
|                  | CFA                   | 0.38                                  | 3.85          | CFA                   | —                                     | —             |
|                  |                       | <b>Total</b>                          | <b>226.55</b> |                       | <b>Total</b>                          | <b>176.74</b> |
| Trade Receivable | USD                   | 9.8                                   | 498           | USD                   | 6.98                                  | 31.22         |
|                  | EURO                  | 0.00                                  | 0.00          | EURO                  | 0.21                                  | 1.31          |
|                  |                       | <b>Total</b>                          | <b>498</b>    |                       | <b>Total</b>                          | <b>32.53</b>  |
| Bank balance     | USD                   | 0.42                                  | 21.13         | USD                   | 1.29                                  | 57.35         |
|                  | EURO                  | -                                     | 0.07          | EURO                  | 0.01                                  | 0.31          |
|                  |                       | <b>Total</b>                          | <b>21.20</b>  |                       | <b>Total</b>                          | <b>57.66</b>  |

31. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

| Particulars  | 31 March 2012   | 31 March 2011   |
|--|-----------------|-----------------|
|  | ₹ million       | ₹ million       |
| <b>Total operations for the year</b>                                       |                 |                 |
| Loss after tax   | (131.92)        | (671.66)        |
| <b>Less : dividends on convertible preference shares &amp; tax thereon</b> | 0               | 0               |
| <b>Net profit/ (loss) for calculation of basic and diluted EPS</b>         | <b>(131.92)</b> | <b>(671.66)</b> |

**32. STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO THE SUBSIDIARY COMPANIES**

| Name of subsidiary       | Financial year of the subsidiary ended on | Number of equity shares held by SEAMEC Limited | Extent of interest of SEAMEC Limited in the Capital of the subsidiary | Net aggregate amount of Profit s/ (Losses) of the subsidiary, so far as it concerns members of SEAMEC Limited and is not dealt with in the accounts of SEAMEC Limited |  | Net aggregate amount of Profits/ (Losses) of the subsidiary, so far as it concerns members of SEAMEC Limited and is dealt with or provided for in the SEAMEC Limited |  | Additional Information under Section 212 (5) |
|--------------------------|---|--|---|---|--|--|--|--|
|                          |   |  |   | For the financial year ended March 31 2012  | For the previous financial year of the subsidiary since it became a subsidiary | For the financial year ended March 31 2012   | For the previous financial year of the subsidiary since it became a subsidiary |  |
|                          |   |  |   | ₹ 'million  | ₹ 'million   | ₹ 'million   | ₹ 'million   |  |
| SEAMEC International FZE | March 31, 2012                            | (equity shares of AED 1 million each)          | 100%  | Nil   | Nil  | (36.74)  | (4.53)   | NA   |

Particulars of Subsidiary Company as required under General Circular No: 2/2011 dated 08/02/2011 of Ministry of Corporate Affairs, Government of India, issued under Section 212 (8), of the Companies Act, 1956 for the financial year ended March 31, 2012

| Particulars               | 31-03-2012         | 31-03-2011         |
|---------------------------|--------------------|--------------------|
|                           | Amount (₹ million) | Amount (₹ million) |
| a. Capital                | 25.68              | 12.24              |
| b. Reserves               | (36.74)            | (4.53)             |
| c. Total assets           | 738.35             | 9.32               |
| d. Total liabilities      | 742.40             | —                  |
| e. Investments            | —                  | —                  |
| f. Total Income           | 86.99              | —                  |
| g. Loss before taxation   | (30.77)            | (4.53)             |
| h. Provision for taxation | —                  | —                  |
| i. Loss after taxation    | (30.77)            | (4.53)             |
| j. Proposed dividend      | —                  | —                  |

**For S. R. BATLIBOI & Co.**  
Firm Registration No.: 301003E  
Chartered Accountants

**per Hemal Shah**  
Partner  
Membership No.: 42650

Place: Mumbai  
Date: May 30, 2012

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

**Captain C.J. Rodricks**  
Managing Director

**Swapan S. Biswas**  
Chief Financial Officer

**Bhavna Doshi**  
Director

**S. N. Mohanty**  
Chief Legal Officer & Company Secretary



# SEAMEC LIMITED

A MEMBER OF THE TECHNIP GROUP

Registered Office : A -901 - 905, 9th Floor, 215 Atrium, Andheri Kurla Road, Andheri East, Mumbai - 400 069.

## PROXY FORM

| Registered Folio Number | Client ID & DP ID | No.of Equity Shares held |
|-------------------------|-------------------|--------------------------|
|                         |                   |                          |

I/We \_\_\_\_\_

(In Block Letters)

of \_\_\_\_\_ in the district of \_\_\_\_\_ being a Member/Members of **SEAMEC LIMITED**, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ or failing him/her of \_\_\_\_\_

\_\_\_\_\_ as my/our Proxy to attend and Vote for me/us and on my/our behalf at the TWENTY FIFTH ANNUAL GENERAL MEETING of the Company held on Tuesday, 14th August, 2012 at 04.30 p.m. at Navinbhai Thakkar Auditorium, Shree Vile Parle Gujarati Mandal. Shraddhanand Road, Vile Parle (East), Mumbai - 400 057 instead of me/us and at any adjourment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012.



Notes: 1. A Proxy need not be a member of the Company.

2. This form, duly filled in and signed across the Revenue Stamp, must reach the Registered Office of the Company not less than 48 hours before the time fixed for holding of the meeting.

TEAR HERE



# SEAMEC LIMITED

A MEMBER OF THE TECHNIP GROUP

Registered Office : A -901 - 905, 9th Floor, 215 Atrium, Andheri Kurla Road, Andheri East, Mumbai - 400 069.

## ATTENDANCE SLIP

| Registered Folio Number | Client ID & DP ID | No.of Equity Shares held |
|-------------------------|-------------------|--------------------------|
|                         |                   |                          |

I/We hereby record my/our presence at the TWENTY FIFTH ANNUAL GENERAL MEETING of the Company to be held on Tuesday, 14th August, 2012 at 04.30 p.m. at navinbhai Thakkar Auditorium, Shree Vile Parle Gujarati Mandal, Shraddhanand Road, Vile Parle (East), Mumbai -400 057.

|   |  |
|---|--|
| Name of the Shareholder(s) (IN BLOCK LETTERS) |  |
| Signature of Shareholder(s)                   |  |
| Name of the Proxy (IN BLOCK LETTERS)          |  |
| Signature of Proxy                            |  |

**Note** : You are requested to sign and hand this over at the entrance.



Alliance



Seamec II



Registered & Corporate Office  
A-901-905, 9th floor, 215 Atrium, Andheri Kurla Road,  
Andheri (East), Mumbai - 400 069. INDIA.  
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