G20
भारत 2023 INDIA

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ONE EARTH • ONE FAMILY • ONE FUTURE

Annual Report 2022-23



GOA SHIPYARD LIMITED

A PREMIER DPSU SHIPYARD

Passion for Excellence


231












COAST GUARD


P624

PAPER TO BE LAID ON THE TABLE OF THE LOK SABHA/ RAJYA SABHA

AUTHENTICATED

Ajay Bhatt

(AJAY BHATT)
RAKSHA RAJYA MANTRI

REVIEW OF THE GOVERNMENT ON THE ANNUAL REPORT 2022-23 AND ON THE WORKING AND AFFAIRS OF GOA SHIPYARD LIMITED (GSL), GOA

Goa Shipyard Limited (GSL), under the administrative control of Department of Defence Production, designs and builds sophisticated ships, Offshore Patrol Vessels (OPVs), Pollution Control Vessels (PCVs) etc. for the Indian Navy, Coast Guard and other customers.

2. During the Financial Year 2022-23, the Company achieved Value of Production of ₹824.97 Cr with a YoY growth of 17%. The Company has posted Profit After Tax (PAT) of ₹154.54 Cr as against PAT of ₹101.09 Cr during the previous year. The Net Worth of the Company reached an all time high of ₹1,246 Cr during the period under review. As on 31st March 2023, the net value of works to be executed in respect of orders received by the Company amounts to ₹20,146 Cr.

3. During the year under review, GSL signed a major contract worth ₹5,965 Cr for design and construction of seven Next Generation Offshore Patrol Vessels (NGOPVs) for the Indian Navy (IN) on 30th March 2023.

4. The Company is executing multiple contracts comprising of major projects such as construction of two Advanced Frigates for the Indian Navy, construction of two Pollution Control Vessels (PCVs) and eight Fast Patrol Vessels (FPVs) for the Indian Coast Guard.

5. A Virtual Reality Centre (VRC) to visualize the 3D stereoscopic model of warship and use them for design review, was inaugurated on 1st February 2023. The VRC will enable the ship designers to analyze and solve complex design problems at an early design phase, thus avoiding delays and constraints.

6. During the period under review, GSL also handed over, after successful tests and trials, the first of the three 7.5 T Bollard Pull Tug to the Assam Inland Water Transport Development Society (AIWTDS), before the contractual delivery schedule.

7. The Government is in agreement with the Report.

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(AJAY BHATT)
Raksha Rajya Mantri

About GSL...

Goa Shipyard Limited (GSL) is a Central Public Sector Enterprise under the administrative control of Ministry of Defence. GSL is located at Vasco-da-Gama, Goa on the southern bank of river Zuari. The Shipyard was established by the Portuguese, on 26 November 1957 as 'Estaleiros Navais de Goa Limitada'. It started functioning under its own Board of Directors since 26 September 1967. GSL is a Miniratna, Category-I, ISO 9001:2015 (QMS), 14001:2015 (EMS) and 45001:2018 (OHSMS) certified company.

Over the last six decades, GSL has grown exponentially in diverse fronts involving ship design and construction. From humble beginning of building and repairing small barges, it has grown to the present status of a leading shipbuilder in the Indian sub-continent, indigenously designing and building state-of-the-art high technology and sophisticated vessels for the Indian Navy, Indian Coast Guard to cater for maritime security requirements of the country and for other customers, including friendly foreign countries.

Our Offerings

GSL is engaged in Shipbuilding, Ship Repair and General Engineering Services for defence and commercial sector. GSL has set up dedicated facilities for construction of GRP boats.

Shipbuilding
• Missile Frigate
• Advanced Offshore Patrol Vessel
• Naval Offshore Patrol Vessel
• Offshore Patrol Vessel
• Pollution Control Vessel
• Fast Patrol Vessel
• Missile Craft
• Sail Training Ship
• Fast Attack Craft
• Hydrographic Survey Vessel
• Torpedo Recovery Vessel

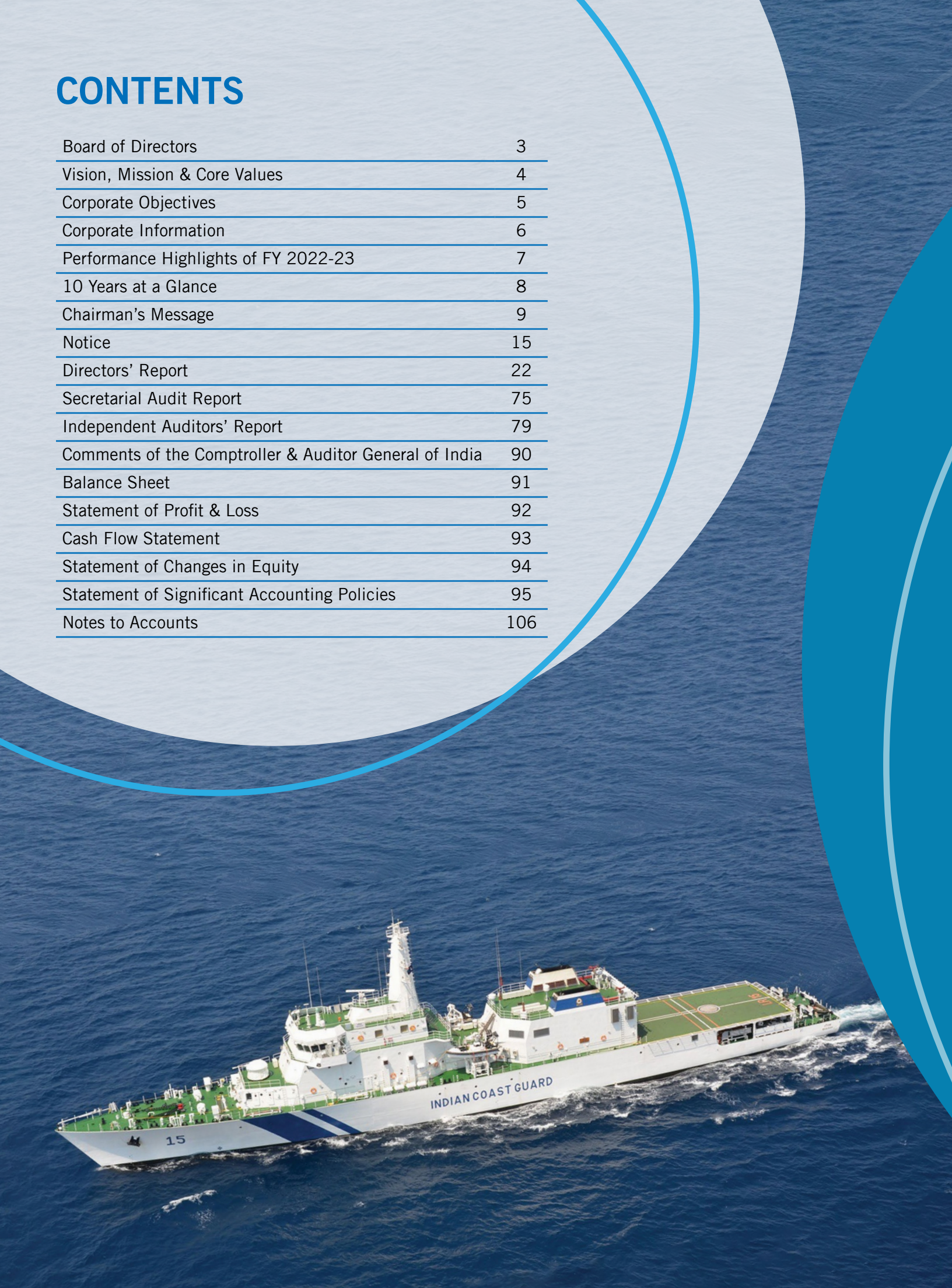
General Engineering Services
• Shore Based Test Facility
• Damage Control Simulator & Training Facility
• Nuclear, Biological & Chemical Training Facility
• Survival at Sea Training Facility
• Fuel Barge
• FRP/GRP Boat
• LPG Cylinder Carrier Vessel
• Tug, Ferry Boat & Fishing Trawler
• Floating Dock

Ship Repairs
• Coast Guard Vessels
• Indian Navy Vessels
• Commercial Vessels
• Sail Training Ships
• Vessels of Fishery Survey of India

GSL built and delivered 231 ships and 157 GRP boats in the last six decades, comprising of sophisticated vessels for varied applications in the defence and commercial sectors with special expertise in building modern Patrol Vessels of Steel, Aluminium and Composite hull structure.

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BOARD OF DIRECTORS



Shri Brajesh Kumar Upadhyay
Chairman & Managing Director



Shri T. Natarajan
Govt. Nominee Director
(From 23.12.2022)



Shri Deepak Manohar Patwardhan
Independent Director



Shri Hasmukh Hindocha
Independent Director



Capt. Jagmohan, IN (Retd.)
Director (CPP&BD) and Director
(Operations) - Addl. Charge



Shri Sunil Shivaling Bagi
Director (Finance)
(From 28.09.2022)



Smt Rolley Mahendra Varma
Govt. Nominee Director
(Upto 23.12.2022)

VISION

To be a contemporary organisation in Ship Design, Construction, Ship Repairs & General Engineering Solutions.

MISSION

To be a world class shipbuilding yard to meet the maritime needs of indigenous and export market by designing, building, repairing and delivering products and engg. services on time at competitive price.

CORPORATE IMS POLICY

(ISO 9001 + ISO 14001 + ISO 45001)

- We shall design, build & repair ships and provide services at competitive price, on time, meeting the requirements, for enhanced customer satisfaction.
- Acquire / upgrade skills amongst GSL and contractors employees as per global standards and practices to meet or exceed quality standards.
- We shall practice, attain and maintain high standards of safety, health and environment for all employees including contractor employees.
- Conserve & sustain environment resources and material.
- Comply with statutory requirements
- Achieve continual improvement in all above activities.

CORE VALUES

CUSTOMER SATISFACTION

We are dedicated to building a relationship with our customers where we become partners in fulfilling their mission. We strive to understand our customers' needs, undertake requisite Research and Development and deliver products and services that fulfill their requirements.

QUALITY, TIME AND COST CONSCIOUSNESS

We are dedicated to deliver products and services that conform to highest standards of design, manufacture, reliability, maintainability, quality and fitness for use as mandated. We are committed to deliver our products and services on time and at economic cost.

INNOVATION & CREATIVITY

We believe in innovating and being creative. We are committed to strive for improvement in every activity involved in our business with a view to achieving excellence and competitiveness.

PEOPLE & TEAM WORK

We value our people and treat each other with dignity and respect. We strive to develop and to build empowered teams. We are committed to be loyal and devoted to our organization and ensure that our organization is always worthy of trust. We believe in the highest levels of integrity and discipline.

COMMITMENT TO SOCIETY

We are committed to meet the social needs and aspirations of the society and that of future generations. We are committed to a safe and healthy environment in business operations.

CORPORATE OBJECTIVES

1. To design and build warships for defence forces of the Nation, sea faring platforms for Commercial sector and export to friendly foreign Nations meeting project timelines and quality standards.
2. To carry out repairs and refits of defence and commercial ships.
3. General engineering services related to design and manufacturing of products relevant to shipbuilding and Naval applications.
4. Endeavor to expand/diversify business of the Company through concerted marketing efforts.
5. To enhance global outreach and increase footprints through exports to friendly foreign nations by offering comprehensive solutions thereby enhancing revenue from exports.
6. To continuously enhance production capabilities by adopting emerging technologies, improved internal processes, innovative practices and infrastructure augmentation.
7. To strive for maximizing indigenisation in line with govt. policies with the aim of achieving self-reliance in shipbuilding.
8. To make sustained efforts for encouraging domestic vendors for onboarding GeM portal with a view to achieve objective of mandatory procurement.
9. To help build up a strong industrial base through development of ancillaries.
10. To ensure commitment towards environment protection & conservation and integrate in production processes.
11. To formulate corporate policies on employment, promotion, reservations, workers' participation consistent with the Government's efforts in promoting social justice to the people at large. Promote use of Hindi as a medium of communication.
12. To improve productivity by harmonious industrial relations.
13. Promote welfare activities to raise morale of the employees and up-skill human resources through training and engaging workforce in learning and development programmes.
14. To create conducive, clean and safe working environment.
15. Maintain high standard of quality through strict quality assurance measures at each stage, from design to delivery process and continuously improve the production processes to ensure high efficiency of production and to increase customer satisfaction Index.
16. Make sustained efforts for self-reliance through continuous R&D on extensive basis to develop in-house viable designs for complex and weapon intensive platforms to meet customer requirements.
17. Generation and maximization of internal financial resources for enhancing growth and maximization of the return on investment and create wealth for shareholders.
18. Enhancement of the Company's share in total National Industrial output.
19. Fostering inclusive growth & development of the society and to actively participate towards maintaining ecological balance through implementation of sustainable CSR activities, projects and programmes.
20. To support and implement various govt. schemes & programmes issued from time to time.
21. To promote integrity, fairness & transparency through various trainings and to root out corruption & malpractices through confidence building and awareness programmes.

CORPORATE INFORMATION

Chief Vigilance Officer

Shri Sanjay Krishna Navhale,
IOFS (2006)

Company Secretary

Smt Chhaya Jain

Statutory Auditors

P G Bhagwat LLP
Chartered Accountants
Belagavi, Karnataka

Secretarial Auditor

M/s Swapnil J Dixit & Associates
Bicholim, Goa

Cost Auditor

CMA Savari Muthu I
Panaji, Goa

Bankers

* State Bank of India
* Canara Bank
* Union Bank of India
* Bank of Maharashtra
* ICICI Bank

Registrar and Share Transfer Agent

Purva Sharegistry (India) Pvt. Ltd.
Unit No. 9, Shiv Shakti Ind. Estt.,
J R Boricha Marg, Lower Parel East,
Mumbai - 400 011

Registered Office

Vasco-da-Gama, Goa

Senior Management

Shri Clifford Anthony Pereira
Chief General Manager (Planning)

Shri Ponnuswamy Ravindran,
General Manager (Production)

Cmde Adikesh Vasudevan, (Retd.),
General Manager (Projects & TS)

Shri M. Subramanian,
General Manager (Commercial)

Shri Sunil Prasad Yadav,
General Manager (Project Finance & Accounting)

Shri Devanand Sagun Patekar,
General Manager (Design & Engg.)

Shri Vijayendra Kopresh Deshpande,
General Manager (General Engg. Services)

Shri Anand Basavaraj Murshilli,
General Manager (Corporate Finance)

Shri Nagesh Das Pai,
General Manager (Ship Repairs)

Shri Shashikant Shivaji Kamble,
Addl. General Manager (HR & Admin.)

Shri Dattaprasad Narahari Bhat,
Addl. General Manager (QA&R)

Shri Vivek Kashinath Sail,
Addl. General Manager (Outsourcing)

Shri Kalaiyarasan Muniyandi,
Addl. General Manager (Admin.)

Shri Kishor Manohar Samant,
Addl. General Manager (Legal)

Shri Sebastiao Fernandes,
Addl. General Manager (Vigilance)

Shri Prakash Laxman Gaude,
Addl. General Manager (SMP)

Dr. Vedpal Suresh Tari,
Addl. General Manager (Medical)

Shri Abhishek Singh
Dy. General Manager (EPSP)

Cdr. Maniyedath Harikrishnan, (Retd.),
TA to CMD

Shri Vibhu Singh Pratihar,
Dy. Commandant – CISF

Shri Sanoj Kumar Pandey,
Sr. Manager (Internal Audit)

Performance Highlights of FY 2022-23

1. Highest ever Order Book of approx. Rs 20,000 Cr
2. Net Worth reached an all time high of Rs 1,246 Cr
3. Signed contract for 07 NGOPV worth Rs 6,000 Cr (approx)
4. Executing for the first time 20 platforms concurrently
5. Construction of export contract of Floating Drydock commenced
6. Virtual Reality Centre operationalised
7. Highest ever revenue of Rs 160 Cr from Ship Repair vertical
8. Delivered three 7.5 T Bollard Pull Tugs for AIWTDS
9. Completed infrastructure modernisation at approx Rs 1390 Cr
10. Keel of 02 Pollution Control Vessels laid
11. Governance Now 9th PSU Awards for “HR Excellence”

TEN YEARS AT A GLANCE

(₹ in Lakhs)

Sl. No.	FINANCIAL RESULTS	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
		1	2	3	4	5	6	7	8	9	10
A	**OPERATING RESULTS**										
1	Gross Revenue	1,04,580	86,475	97,876	1,07,176	98,629	1,45,246	1,10,236	80,452	68,077	55,252
2	Value of Production	82,497	70,370	82,739	90,294	84,780	1,34,267	1,03,020	72,596	56,955	50,890
3	Revenue from Operations	86,943	74,035	86,049	93,127	90,561	1,37,343	1,05,545	76,233	57,551	51,163
4	Operating Profit	2,864	1,467	8,181	12,443	12,980	25,151	13,054	6,851	1,525	(2,857)
5	Profit Before Tax and Exceptional Items	20,501	13,907	20,007	26,492	21,047	33,054	17,745	11,069	5,317	(6,279)
6	Exceptional Items	-	364	2,775	-	-	-	-	-	-	-
7	Profit Before Tax	20,501	13,543	17,232	26,492	21,047	33,054	17,745	11,069	5,317	(6,279)
8	Provision for Tax	5,047	3,434	4,441	6,714	7,895	11,321	6,005	4,841	(2,507)	(170)
9	Profit After Tax	15,454	10,109	12,791	19,777	13,152	21,733	11,740	6,229	7,824	(6,109)
10	Gross Margin (EBIDTA)	26,733	19,534	25,046	33,034	25,915	37,394	21,619	13,865	6,288	(2,510)
11	Gross Profit (EBIT)	20,548	13,569	17,259	28,281	21,417	33,133	17,924	11,175	5,390	(4,237)
12	Value Added	35,502	31,643	52,064	51,812	42,625	63,734	40,359	31,800	19,825	15,059
B	**FINANCIAL POSITION**										
1	Equity Share Capital	5,820	5,820	5,820	5,820	5,820	5,820	5,820	2,910	2,910	2,910
2	Reserve & Surplus	1,18,866	1,09,063	1,04,048	96,747	85,412	85,090	75,440	65,776	59,011	55,527
3	Borrowings	-	-	-	-	-	-	-	-	2,377	2,659
4	Property, Plant and Equipment (Gross Block)	1,47,262	1,19,359	1,13,112	1,07,536	90,580	88,780	86,741	57,785	15,710	44,184
5	Property, Plant and Equipment (Net Block)	97,266	75,421	74,658	74,265	61,969	64,429	65,650	40,116	6,890	32,428
6	Capital Work-in-Progress	11,036	33,261	28,772	23,680	26,371	17,221	7,403	23,321	14,304	10,423
7	Capital Employed	1,24,686	1,14,883	1,09,868	1,02,567	91,232	90,910	81,261	68,686	64,298	61,096
8	Net Worth	1,24,643	1,14,840	1,09,826	1,02,524	91,190	90,867	81,218	68,643	61,921	58,437
C	**RATIOS & OTHER FINANCIAL INFORMATION**										
1	Profit After Tax : Net Worth	12.40	8.80	11.65	19.29	14.42	23.92	14.46	9.07	12.64	(10.45)
2	Gross Margin (%)	25.56	22.59	25.59	30.82	26.28	25.75	19.61	17.23	9.24	(4.54)
3	Return on Average Net Worth (RONW) (%)	12.91	9.00	12.05	20.42	14.45	25.26	15.67	9.54	13.00	(9.97)
4	Return on Average Capital Employed (ROCE) (%)	17.15	12.07	16.25	29.19	23.52	38.49	24	16.81	8.60	(6.68)
5	Face Value per share (Fully paid-up) (Rs)	5.00	5.00	5.00	5.00	5.00	5.00	5.00	10.00	10.00	10.00
6	Dividend per share (%)	108	87	95	110	80	215	70	64	54	-
7	Dividend Payout (Rs in lakh)	6,286	5,064	5,529	6,402	4,656	12,513	4,074	1,862	1,571	-
8	Value Added per employee (Rs in lakh)	27.80	24.59	37.48	35.20	26.57	38.79	24.39	19.81	12.64	9.75
9	Number of Employees	1277	1287	1389	1472	1604	1643	1655	1605	1568	1545

CHAIRMAN'S MESSAGE



Dear Shareholders,

With great honour and privilege, I extend a very warm welcome to you all for the 57th Annual General Meeting of Goa Shipyard Limited (GSL) and thank each one of you for attending the meeting in virtual mode.

As I complete one year as CMD, I feel very humbled today while I look back at the various activities and achievements that we had in the last one year. We have performed creditably well achieving inspiring milestones and well poised on the path of unprecedented growth in coming years.

I am delighted to present to you the Annual Report for the financial year ended 31 Mar 2023. Despite of multiple challenges and prevalent geo-political situation, your Company registered a comprehensive growth and sustained performance in key physical and financial parameters during the financial year. I take this opportunity to share the performance highlights of the year 2022-23 and future outlook for the Company.

FINANCIAL PERFORMANCE

Your Company delivered a steady financial performance during the year under review and registered a growth of 17% in Operating Revenue and Value of Production (VoP). During the fiscal, the Company reported Gross Revenue of Rs 1,046 Cr, an increase of 21% from Rs 865 Cr earned in the previous year. During the year, Revenue from Operation clocked at Rs 869 Cr compared to Rs 740 Cr in FY 2021-22. Profit Before Tax grew to Rs 205 Cr as against Rs 135 Cr in the previous year, registering an impressive growth of 52%. Net worth of the Company has reached an all-time high of Rs 1,246 Cr as on 31 Mar 2023.

FY 2022-23 was an exceptional year from the order book value perspective. You would be happy to note that during the year, your Company signed a major contract of approx. Rs 6,000 Cr for construction of seven Next Generation Offshore Patrol Vessels (NGOPVs) for the Indian Navy, which catapulted our overall order book value in excess of Rs 20,000 Cr. Concurrent construction of multiple

projects coupled with an excellent order book position will enable the Shipyard to grow consistently and provide multifold surge in revenue in the coming years.

Your Company considers its shareholders as a valuable and integral part of the organization. GSL has been gratifying its shareholders with regular dividends. I am pleased to inform you that the Board has recommended final dividend of Rs 1.65 per equity share of Rs 5.00 each i.e. 33% of the Paid-up Share Capital for FY 2022-23. This is in addition to the interim dividend paid by the Company @ Rs 3.75 per equity share, being 75% of the Paid-up Share Capital. Thus, the total dividend for FY 2022-23 will be Rs 5.40 per equity share being 108% of Paid-up Share Capital.

OPERATIONAL PERFORMANCE

Execution of Shipbuilding projects

GSL has an unprecedented order book position to be executed in the next 8-9 years. I am happy to state that for the first time GSL is executing 20 platforms concurrently. However, the year 2022-23 witnessed intense geo-political and economic volatility posing numerous challenges in the form of disruption in global supply chain, strained trade-relations, sanctions, surge in inflation and so on. Amidst these challenges, construction of two highly technologically advanced Frigates for the Indian Navy is progressing well. To mitigate the impact of the disruptions, your Company has resorted to alternate/ indigenous sources for supplies/ materials to maintain the production pace. The design of the Frigate is in advanced stage of completion overcoming the intense complexity of integration of indigenous systems in the proven design. The project has been game changer and besides providing exponential growth in revenues, it will be a stepping stone for securing similar shipbuilding projects with high degree of complexity.

Further, your Company has progressed with construction of two Pollution Control Vessels (PCVs) and eight Fast Patrol Vessels (FPVs) for the Indian Coast Guard. Design phase of both these projects are in advanced stage of completion. Keel of both the PCVs were laid and construction work is progressing simultaneously. Physical construction of first four FPVs has commenced and keel laying ceremony of these 04 vessels was held on 25 Aug 2023 at the hands of Defence Secretary. In addition, design phase and procurement activities for NGOPV project are also being progressed as per timelines.

Exports

A prestigious export contract for construction of 4000 T Floating Dry Dock for the Sri Lanka Navy is advancing well with preliminary design already completed and the detailed design is in progress. The construction activities have commenced and progressing as per timelines.

Ship Repair and General Engineering Services

Ship repairs have been a focus area of your Company and I am glad to share that Ship Repair/Refit vertical continued on an upward growth trajectory and contributed the highest ever revenue of Rs 160 Cr. Refit of six vessels & fitment of SRCG onboard two Coast Guard vessels were completed during the year. Increased thrust on harnessing the opportunities emerging in this segment would accelerate the growth of this vertical.

It is a matter of great satisfaction that General Engineering Services (GES) division has successfully delivered the prestigious Damage Control Simulator Facility to the Indian Navy which was commissioned at Port Blair on 18 Aug 2023. This was the fourth such facility for the Indian Navy, all by GSL. Besides this, one 15M Fast Interceptor Boat for Coastal Police to Govt. of Goa and three 7.5 T Bollard Pull Tugs for Assam Inland Water Transport Development Society were successfully delivered during the period.

Two other GES projects viz. construction of two 2000 LPG Cylinder Carrier Vessels for Union Territory of Lakshadweep Administration and twelve specialised boats for the Indian Army have progressed significantly and will be delivered shortly.

MOU PERFORMANCE

Your Company signs Memorandum of Understanding (MoU) with Government of India, Ministry of Defence (MoD) in each financial year, which outlines targets and various performance parameters for the Company. On the basis of actual performance vis-à-vis MoU targets laid down in MoU for FY 2022-23, your Company is likely to be rated as “Very Good”.

EXPORT INITIATIVES

In line with the GoI/ MoD thrust on exports to achieve the targeted USD 5 billion exports by 2025, GSL is continuously pursuing opportunities to expand business by capturing new customers in the existing and new geographies. To give greater thrust to exports, we are contemplating to expand the network of our marketing representatives and exploring strategic collaboration, joint venture for co-design and co-development.

GSL is participating aggressively in the global tenders issued by various countries and in dialogue with foreign navies to fulfil their requirements. Efforts are on for

pursuing exports with various countries following both the G2G route wherein the Government of India have opened Lines of Credit with funding typically extended by EXIM Bank as well as the B2B route with sovereign guarantee of the recipient nation.

In addition to constructing vessels, concerted efforts are being put in for offering training packages to foreign navies for training of their personnel in ship design, construction, repair and maintenance aspects and such trainings were imparted to Nigerian and Sri Lanka Navy personnel in the past.

AATMANIRBHAR BHARAT - INDIGENISATION AND MAKE IN INDIA INITIATIVES

The Government has identified the Defence and Aerospace sector as a focus area for the "Aatmanirbhar Bharat" or Self-Reliant India initiative, with a formidable push on the establishment of indigenous manufacturing infrastructure supported by a requisite research and development ecosystem. In continuous pursuit of self-reliance in defence manufacturing, Department of Defence Production, MoD has so far notified four Positive Indigenisation Lists in respect of DPSUs, comprising of 4,666 major Line Replacement Units/sub-system/ assemblies/sub-assemblies/components and spares with an embargo on their import from defined timelines.

In line with its commitment to support the aforesaid initiatives of Make in India, your Company has been consistently increasing indigenisation in key areas of shipbuilding technology and has successfully indigenised 23 equipment/systems for Advanced Frigates in collaboration with Indian vendors thereby targeting to achieve indigenisation content of 55% approx. In addition, your Yard is working towards maximising the indigenisation content of the ongoing projects viz. PCV, FPV and NGOPV. Your Company regularly uploads the details of items required to be indigenized on Srijan portal for encouraging the participation of Indian firms in the indigenisation process.

INFRASTRUCTURE MODERNISATION

I would also like to highlight that a major infrastructure modernisation plan at GSL aimed at enhancing the capabilities of the Yard multi-fold to build larger and complex class of vessels for defence forces, commercial applications and exports has been completed with inauguration of recently completed "Integrated Stores Complex" by Defence Secretary on 25 Aug 2023. This facility marks the completion of the entire modernisation work undertaken at GSL in the last 10 years at an outlay of approx. Rs 1,390 Cr, making it one of the most modern Shipyards in the region equipped with dedicated facilities for construction of high technology GRP hull vessels, new steel fabrication facilities for construction of new technology ships and facility for repair & refit of ships.

RESEARCH & DEVELOPMENT

Your Company has continued its efforts towards the design and development of new platforms/ products and technologies to enhance its capability with a view to bring technological superiority to its products and to cope up with the future technological challenges. Our focus continues on R&D, technology advancement, quality upgradation, sustainability and operational excellence. To further enhance the design capability, your Company has set up a Virtual Reality Centre to create an immersive virtual reality environment that would be used to visualize the 3D stereoscopic model of warship and use them for design review.

I am pleased to inform that design and construction activities for PCV & FPV platforms for the Indian Coast Guard and NGOPV for the Indian Navy have been progressed which would result in significant savings in foreign exchange by avoiding import of ship designs and achieving self-reliance in this area to a large extent. It is noteworthy to mention that the design efforts of GSL has been recognised by its esteemed customer i.e. the Indian Coast Guard and a senior design officer of GSL has been felicitated with Coast Guard commendation award. Further, having gained experience in design and integration of Frigates, your Yard is now equipped with requisite expertise and know-how in design and construction of complex weapon intensive platforms.

ARTIFICIAL INTELLIGENCE INITIATIVES

Your Company has been swift in adopting Artificial Intelligence (AI) towards improvement of its design and production processes. GSL has successfully built Autonomous Surface Vessel, fitted with AI system in collaboration with Bharat Electronics Limited, which is in active service with the Indian Navy. In addition, your Company is developing AI based Condition Monitoring System (CMS) that will help the Yard to undertake timely maintenance of critical assets and avoid catastrophic failure. GSL has tied-up with reputed technical education institutes like IISc, Bengaluru, BITS Pilani, Goa etc. for fostering joint development & implementation of AI technologies in the field of shipbuilding and defence applications.

IMPLEMENTATION OF GOVERNMENT PROGRAMS

GSL is always at the forefront in implementing various flagship programs of the Government such as consistent

thrust on procurement from MSEs, foster invention, innovation and IPR culture, promotion of startups, etc. During the year, the Company achieved 60% of the indigenous procurement (excluding buyer nominated items) from MSE sector, as against the mandatory target of 25%. Under "Mission Raksha Gyan Shakti" initiatives of MoD to promote Intellectual Property Rights culture and creation of Intellectual Property towards "Self-reliance" in the defence sector, your Company has filed 13 IPR applications and imparted training to 21 personnel during FY 2022-23. GSL, through DIO-iDEX has engaged startups for developing RCS reduction technique solution and AI based CMS for yard assets.

Your Company has also been instrumental in implementing the Government's "Swachh Bharat Campaign" by carrying out multiple cleanliness drives, undertaking tree plantation drive, provisioning of safe drinking water and constructing & renovating toilets.

NATIONAL RECOGNITION / AWARDS

You will be happy to know that your Company's sustained efforts have been rewarded across multiple platforms in the areas of HR practices, women contribution, environment protection among others. Some of the noteworthy recognitions being Governance Now 9th PSU Awards for "HR Excellence", Special Jury - HR Excellence Award 2022 for "Managing Organisational Change & Excellence through innovative HR Practices" by ASSOCHAM, PSE Excellence Award for "Contribution of Women and Differently Abled in PSEs" organized by Indian Chamber of Commerce and "22nd Annual Greentech Environment Award 2022" by the Greentech Foundation for outstanding achievements in "Environment Protection" category.

CORPORATE GOVERNANCE

Your Company takes pride in constantly adopting and maintaining the highest standards of ethics and transparency in all spheres of business activities. The Company has regularly complied with the Guidelines on Corporate Governance for CPSEs issued by DPE. Necessary disclosures have been made in this regard in the Corporate Governance Report. As per the Self-evaluation Annual Grading Report on Corporate Governance for the year 2022-23, the Company has achieved "Excellent" grading.

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY

Your Company strongly believes and contributes towards sustainable development of the marginalised societies around the area of our operation by creating livelihood opportunities, developing skill-sets and spreading well-being. The principles of Corporate Social Responsibility (CSR) are deeply imbibed in your Company's corporate culture. GSL has undertaken various CSR programmes/ initiatives/projects as per the Company's Corporate Social Responsibility Policy and in line with the requirements of the Companies Act, 2013. You would be happy to note that to amplify outreach efforts, your Company has spent an amount of Rs 394.06 lakh, higher than the statutory mandated CSR budget, in key sectors like Healthcare, Sanitation, Swachh Bharat, Education and Vocational Skill Development.

HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATIONS

It is really delightful to note that the Company has been implementing various employee oriented schemes and initiatives for the welfare and upskilling of its workforce. Your Company recognises the contribution of its Human Resources towards enhancing the organization's growth trajectory. During the year, the Human Resource Development initiatives were focussed on augmenting the skills of the work force and thereby creating a competitive performance driven culture amongst employees. Various training programmes were conducted during the year to enhance competencies in technical, functional, managerial and leadership areas. With a view to stay abreast of changing HR policies & processes, your Company had organized 3rd DPSU HR Meet, which was attended by senior HR heads of 16 Defence Public Sector Enterprises. The two-day event was aimed at knowledge sharing and exchange of best practices between HR executives of DPSUs. GSL has also actively participated in 30th Regional Meet of Western Region organized by Forum of Women in Public Sector under aegis of SCOPE at Goa.

GSL is also at the forefront in providing the best medical/ health care to the employees and their dependents. Medical section has been renovated to foster the holistic well-being of all employees. As a part of GSL's welfare initiatives, "Goa Shipyard Retired Employees Facilitation Centre" has been inaugurated to facilitate easy access to post retirement benefits. The Company has always laid topmost priority in integrating safety with business operations and put relentless efforts in providing safe working environment to its workforce.

The Company strives to maintain harmonious and cordial industrial relations with the workforce and the Yard continued to work peacefully throughout the year. The Workmen Unions / Associations cooperated with the Management to work towards the common objectives of the Company.

ROAD AHEAD - FUTURE OUTLOOK

As we look ahead, we are filled with great optimism for the future. The Government of India has rolled out various initiatives to unlock the true potential of India's maritime capabilities and accelerate the growth of defence sector. The Government's emphasis on "Make in India" and "Atmanirbharta" in defence manufacturing provides great opportunity for import substitution and promoting innovative indigenous solutions for defence equipment. GSL aspires to be in the forefront of the revolution and be a major contributor in the Government's initiatives thereby capitalising the emerging opportunities.

Your Company is committed to strengthen its core businesses, accelerating innovation, developing efficiencies and adopting Industry 4.0 practices in key business operations while exploring new avenues for the future. The upcoming year and beyond are crucial as it demands successful and timely execution of multiple projects in hand. Moreover, these next few years mark a significant shift towards a technological advanced future, necessitating swift and agile action. I have complete confidence that our team dedication and commitment will make this possible.

APPRECIATION

Our journey of more than six decades is marked by a relentless pursuit of excellence, where each milestone achieved becomes a stepping stone to a brighter future. Undoubtedly, the voyage has been exciting and challenging in equal measures, but it has also been full of new opportunities and new vistas opening in the defence sector.

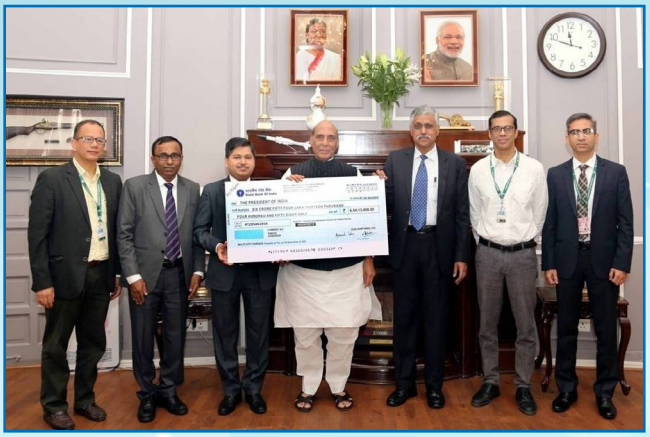
At the outset, on behalf of the Board of Directors, I thank you for your continued trust, encouragement and unequivocal support to the Company and its Management. I wish to express my sincere gratitude to the Ministry of Defence, Central and State Government Authorities and Indian Navy & Indian Coast Guard Authorities and the Customers for their unstinted support and valuable guidance. I would also like to place on record my wholehearted appreciation to the Board of Directors for their harmonious support and contribution in propelling this Yard forward. I am sure that with the continued support and encouragement from all stakeholders, the Company shall achieve new heights in all spheres of its activities. Last but not the least, I appreciate the support of Team GSL including CISF contingent for their strong commitment towards accelerated growth. The dedication and resilience of our employees and officers are a major strength which enables us to deliver the quality products for meeting the customers' requirements.

Jai Hind

Brajesh Kumar Upadhyay

Chairman & Managing Director

MAJOR EVENTS



CMD, GSL presenting Final Dividend Cheque for FY 2021-22 to the Hon'ble Raksha Mantri Shri Rajnath Singh



Visit of the Hon'ble Raksha Rajya Mantri Shri Ajay Bhatt to GSL on 06 Mar 2023



Keel Laying of four FPVs of ICG on 25 Aug 2023 by Defence Secretary, Shri Giridhar Aramane, IAS



Virtual Reality Center inaugurated on 01 Feb 2023 by Defence Secretary, Shri Giridhar Aramane, IAS



Signing of Contract for design and construction of seven NGOPVs for IN on 30 Mar 2023



Inauguration of DCNS at Port Blair on 18 Aug 2023 by VADM Sanjay Mahindru, ASVM, NM in presence of Director (Finance), GSL

Goa Shipyard Limited

CIN: U63032GA1967GOI000077
Regd. Office: Vasco-Da-Gama, Goa-403802, India
Tel: +91-832-2512152-56
Email: contactus@goashipyard.com; URL: www.goashipyard.in

NOTICE OF 57TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Fifty Seventh Annual General Meeting (AGM) of the Members of Goa Shipyard Limited will be held on Friday, 29th September 2023 at 1530 hours IST through Video Conferencing (VC)/Other Audio Visual Means (OAVM) to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2023 together with the Reports of the Board of Directors and the Statutory Auditors thereon and Comments of the Comptroller & Auditor General of India.

2. To confirm the payment of Interim Dividend of Rs 3.75 (i.e. @ 75%) per equity share and to declare Final Dividend of Rs 1.65 (i.e. @ 33%) per equity share of face value of Rs 5.00 each for the financial year 2022-23.

3. To fix the remuneration of Statutory Auditors to be appointed by the Comptroller and Auditor General of India for the financial year 2023-24 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 142 of the Companies Act, 2013 (the Act) and Article 174 of the Articles of Association of the Company, the remuneration of Statutory Auditors to be appointed by the Comptroller and Auditor General of India (C&AG) under Section 139(5) of the Act for the financial year 2023-24 be fixed at Rs 5,00,000/- plus GST and out of pocket expenses at actual plus applicable taxes."

SPECIAL BUSINESS

4. **Appointment of Shri T. Natarajan (DIN-00396367), Additional Secretary (Defence Production), Ministry of Defence as Government Nominee Director**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and in accordance with the Government of India, Ministry of Defence (MoD) letter no. 8(32)/2019-D (Coord/DDP) dated 23rd December 2022, approval of the members be and is hereby accorded to the appointment of Shri T. Natarajan (DIN-00396367), Additional Secretary (Defence Production), MoD as Government Nominee Director of the Company on the terms and conditions as stipulated by the Government of India."

5. **Appointment of Shri Sunil Shivaling Bagi (DIN-09750279) as Director (Finance)**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and in accordance with the Government of India, Ministry of Defence letter no. 2/1(3)/2019/D(NS) dated 26th September 2022, approval of the members be and is hereby accorded to the appointment of Shri Sunil Shivaling Bagi (DIN-09750279), as Director (Finance) of the Company on the terms and conditions as stipulated by the Government of India."

6. **Ratification of the remuneration payable to the Cost Auditor for the financial year 2023-24**

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs 1,50,000/- plus GST and out of pocket expenses at actual subject to maximum of Rs 25,000/- plus applicable taxes thereto, payable to CMA Dilip Vengurlekar, Cost Accountant, Panaji, Goa, appointed by the Board of Directors of the Company as Cost Auditor to conduct the audit of cost records of the Company for the financial year 2023-24 be and is hereby ratified."

By Order of the Board

For **Goa Shipyard Limited**

Sd/-
(Chhaya Jain)
Company Secretary

Place: Vasco da Gama, Goa
Date: 28 July 2023

NOTES:

1. Pursuant to the General Circular No. 10/2022 dated 28th December 2022, issued by the Ministry of Corporate Affairs (MCA) read with General Circular Nos. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 20/2020 dated 5th May 2020 and all other relevant Circulars issued from time to time (collectively referred to as "MCA Circulars"), the companies are allowed to conduct their AGM through VC/OAVM, without the physical presence of the members at a common venue. Hence, in accordance with the MCA Circulars and provisions of the Companies Act, 2013 (the Act), the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company at Vasco-da-Gama, Goa - 403 802.

2. An explanatory statement pursuant to Section 102(1) of the Act relating to Special Businesses to be transacted at the meeting is annexed hereto. Special Businesses as appearing at Item Nos. 4 to 6 of the accompanying Notice are considered to be unavoidable by the Board and forms part of this Notice.

3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the MCA Circulars through VC/OAVM, physical attendance of members has been dispensed with. **Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map of the AGM are not annexed to this Notice**.

4. Pursuant to Section 113 of the Act, Body Corporates (i.e. other than individuals/HUF/NRI, etc.), who are members are requested to send the certified copy of the resolution passed by their board/governing body authorizing their representative(s) to attend and cast vote at the AGM through VC/OAVM by email at ashoksahoo@goashipyard.com.

5. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

Dispatch of Annual Report through Electronic Mode

6. In compliance with the MCA Circulars, Notice of the AGM along with the Annual Report for FY 2022-23 is being sent through electronic mode to those Members, whose email addresses are registered with the Company/Depository Participant(s) (DP). Members may note that the Notice of AGM is also available on the Company's website at www.goashipyard.in.

7. Members are requested to register their email address with the Company in order to receive copies of the Annual Report and other communications in electronic mode. Members holding shares in physical mode and who have not registered/ updated their email address are requested to register the same by writing to the Company at ashoksahoo@goashipyard.com or to Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agent (RTA) of the Company at support@purvashare.com mentioning thereat the name, folio no., share certificate no., mobile no., postal address and attaching a self-attested copy of PAN card. Members holding shares in dematerialised mode are requested to register/ update their email address with their respective DP.

Procedure for joining the AGM through VC/OAVM

8. Members will be provided with a facility to attend the AGM through VC/OAVM via Cisco Webex video conferencing. Members will be able to join the AGM by accessing the following link and details:

   URL:https://goashipyard.webex.com/ goashipyard/j.php?MTID=m1159f6314cc23fda316ffa407c568a8a

   Meeting No.: 2519 123 0479

   Password: PnJvJ5Asp67 (76585527 from video systems)

   The above details and link for joining the AGM through VC/OAVM will also be available on the Company's website. Participants attending the AGM through Laptop/Desktop will be directed to the Webex browser on clicking the aforesaid link. Participants connecting from Mobile device or Tablet may kindly download the "Cisco Webex Meetings" app on their devices in advance before accessing the aforesaid link. Participants will enter their login credentials (i.e. name and email id) while joining the meeting.

9. It is recommended to join the Meeting through Laptops and use stable Wi-Fi or LAN connection for better experience.

10. Facility to attend the meeting shall be opened 30 (thirty) minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM. For convenience of the Members and ease of conduct of AGM, Members may kindly join at least 15 (fifteen) minutes before the time scheduled for the AGM.

11. Members who need assistance in using the VC/OAVM facility before or during the AGM, may kindly contact Mr. Ashok Kumar Sahoo, Assistant Company Secretary, GSL at the designated email id: ashoksahoo@goashipyard.com or call on 0832 2512152-56.

Procedure to raise questions/seek clarifications/cast vote during the Meeting

12. As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views/send their questions/queries in advance mentioning their name, demat account number/folio number, email address, mobile number at ashoksahoo@goashipyard.com. Questions/ queries, if any may kindly be submitted on or before 27th September 2023 for providing adequate reply during the AGM.

13. The Chairman of the meeting may invite questions or views during the meeting. Members, who would like to ask questions or express their views, may do so by submitting the same through "chat icon" feature or using "raise hand" feature.

14. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

15. Members, whose names appear in the Register of Members/List of Beneficial Owners as on 22nd September 2023 (Cut-off date) are entitled to cast their vote on the Business(es)/Resolution(s) set forth in this Notice. In terms of the MCA Circulars and provisions of the Act, where less than 50 Members are present at a meeting, the Chairman may decide to conduct a vote by show of hands, unless a demand for poll is made by any Member in accordance with Section 109 of the Act.

16. When a poll is demanded on any item, the Members shall cast their votes to the Resolution(s) only by sending emails at chhayajain@goashipyard.com through their email address(es) registered with the Company. In the event of poll, the voting rights of Members/Beneficial Owners (in case of electronic shareholding) shall be in proportion to their shares in the paid-up equity share capital of the Company as on the Cut-off date. In case the counting of votes requires time, the Meeting may be adjourned and called later to declare the result.

17. In case of joint holding, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company shall alone be entitled to vote.

Procedure for inspection of documents

18. The register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act, and the register of contracts or arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection by the Members during normal business hours on weekdays (Monday to Friday) excluding intervening public holidays between 11.00 a.m. to 4.00 p.m. upto the date of the AGM. Members seeking to inspect such documents can send email at ashoksahoo@goashipyard.com.

Dividend related information

19. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made within 30 days from the date of declaration, to those persons whose names appear as (a) Beneficial Owners in the list of Beneficial Owners to be furnished by the DP and (b) Members in the Register of Members of the Company as at the close of business hours on the date of AGM.

20. Payment of dividend shall be made through electronic mode to those Members who have registered their bank account details with the Company/ DP. Members whose bank account details are not registered with the Company, dividend warrants/ demand drafts/cheques will be dispatched to their registered address. Members those who have not registered their bank account details are requested to kindly register/update their complete bank details for hassle free and timely payment of dividend. Members whose shareholding is in electronic mode are requested to update their bank account details with their respective DP. Members whose shareholding is in physical mode are requested to avail the ECS mandate facility provided by the Company. ECS Mandate Form may be obtained from the Company/RTA.

21. As per the Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f. 1st April 2020. Therefore, the Company is required to deduct tax at source (TDS) at the time of making the payment of dividend to its shareholders (resident as well as non-resident). The rate of TDS would vary depending on the residential status of the shareholders and documents submitted by the shareholders with the Company/ RTA/ DP.

    For resident Shareholders:

    Tax will be deducted @10% under Section 194 of the Income Tax Act, 1961 (IT Act) where a valid Permanent Account Number (PAN) is updated in the Company's record or at a higher rate of 20%, in case their PAN is not registered. In case of "specified person" under Section 206AB of the IT Act, tax shall be deducted at twice the rates specified in the relevant provisions of the IT Act. Further, in case a Member fails to link his/her PAN with Aadhaar as per section 139AA of the IT Act, then tax shall be deducted at the higher rates as prescribed under the IT Act.

    Members who have not registered their PAN with the Company are requested to submit a self-attested copy of valid PAN card on or before the date of AGM. In case of corporate members, attestation is to be done by their authorized signatory(ies).

    No tax shall be deducted on dividend payable to a resident individual, if the total dividend to be received by him during the FY 2023-24 does not exceed Rs 5,000/-. Further, a resident individual shareholder who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G (applicable to any person other than a company or a firm) / Form No. 15H (applicable to individuals aged 60 years or more) along with a copy of self-attested PAN card to the Company, to avail the benefit of non-deduction of tax at source. Resident individual shareholder may also submit any other document as prescribed under the IT Act to claim a lower tax.

    For non-resident Shareholders:

    Taxes are required to be withheld in accordance with the provisions of the IT Act, at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable to non-resident Shareholders. However, as per provisions of the IT Act, non-resident Shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA), read with Multilateral Instrument (MLI) between India and the country of tax residence of the member, if beneficial to them. In this regard, non-resident Shareholders will have to provide the following documents:

    a) Tax Residency Certificate issued by revenue authority of the country of residence of the shareholder for the year in which dividend is received, duly attested by him;

    b) Form 10F duly filled and signed. Electronic Form 10F can be filed through the e-filing portal of the income tax website at https://www.incometax.gov.in/iec/foportal;

    c) Self-attested copy of PAN card allotted by the Indian income tax authorities;

    d) Self-declaration by the shareholder of having no permanent establishment/fixed base in India;

    e) Self-declaration of beneficial ownership of its shareholding in the Company; and

    f) Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the shareholder.

Application of beneficial tax treaty rate shall depend upon the completeness of the documents submitted by the non-resident Member and its review to the satisfaction of the Company with regard to the compliances and applicability.

Accordingly, the Members are requested to provide the details and documents/ declarations as mentioned above quoting the folio number to the Company/RTA or update with the respective DP on or before the date of AGM.

22. It may be further noted that in case the tax on dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents/ declarations, there would still be an option available with the Member to file the return of income and claim refund as appropriate, if eligible. No claim shall be preferred against the Company for such taxes deducted.

Unpaid/Unclaimed Dividend

23. Pursuant to the provisions of Section 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) as amended, any amount of dividend which remains unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to the Investor Education and Protection Fund (IEPF). In compliance to this, the Company has transferred the unpaid or unclaimed amount of dividends declared up to FY 2014-15 from time to time to IEPF. Details of dividends so far transferred to IEPF are available on the website of IEPF, which can be accessed through the link: www.iepf.gov.in. Details of unpaid or unclaimed dividend amounts lying with the Company as on 31st March 2022 are uploaded on the website of the Company www.goashipyard.in and also on the aforesaid website of the IEPF.

24. In terms of the aforesaid provisions, the amount of dividend for FY 2015-16 which remains unpaid/ unclaimed as on 27th October 2023 will be transferred to IEPF by the Company. Notices to this effect have been sent to the respective Shareholders to enable them to claim the unpaid dividend amount on or before 13th October 2023. Shareholders who have still not submitted their claim to the Company for payment of unpaid dividend for FY 2015-16 and/ or any subsequent financial years are requested to submit their claim within the stipulated timeline.

25. Further, in terms of Section 124(6) of the Act, read with the IEPF Rules as amended, all the shares in respect of which dividend has not been paid/ claimed for seven consecutive years or more shall be transferred by the Company to Demat Account of IEPF Authority. Details of shares transferred to Demat Account of IEPF Authority are uploaded on the website of the Company www.goashipyard.in and on the website of the IEPF, which can be accessed through the link: www.iepf.gov.in. There are no shares liable to be transferred to IEPF Authority during FY 2023-24.

26. Members may note that shares as well as unclaimed dividends transferred to IEPF can be claimed back by making an online application in the prescribed Form No. IEPF-5 to the IEPF Authority. No claim shall be preferred against the Company, for the amount of dividend/shares so transferred to IEPF. Members can find the details of Nodal Officer appointed by the Company under the provisions of IEPF Rules at www.goashipyard.in.

27. Members are requested to send all communications relating to shares and unclaimed dividends by quoting their folio number to the Company/RTA.

Other information

28. The Equity Shares of the Company are available in dematerialised form in NSDL and CDSL. Company's International Securities Identification Number is **INE178Z01013**. Members who wish to dematerialise their shares held in physical form may kindly contact the Company's RTA through his/her/its DP. The Company's RTA contact details are provided below:-

    Purva Sharegistry (India) Pvt. Ltd.
    Unit No. 9, Shiv Shakti Ind. Estt.,
    J R Boricha Marg, Lower Parel East,
    Mumbai - 400 011
    Email id: support@purvashare.com
    Tel: 022 3199 8810 /4961 4132

29. Members holding shares in physical form are requested to notify to the Company/RTA quoting their folio number, any change in their residential status, email address, postal address with pin code, mandate/bank details and in case the shares are held in dematerialised form, this information should be passed on to their respective DP.

30. Members holding shares in physical form and who have not yet registered their nomination are advised to avail the facility of nomination in terms of Section 72 of the Companies Act, 2013 by submitting Form SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he/she

may submit the same in Form No. SH-14. Form No. SH-13 & SH-14 can be obtained from the Company. Members holding shares in dematerialised form may contact their respective DP for availing this facility.

31. Members who are holding shares in more than one folio are requested to intimate the details of all their folio numbers to the Company/RTA, for consolidation into a single folio.

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

1. The following Explanatory Statement sets out all material facts relating to special businesses mentioned in the accompanying Notice:

Item No. 4

2. In terms of Article 117(1) of the Articles of Association of the Company, the President of India is vested with the power to appoint Government Nominee Director on the Board of the Company. Accordingly, Shri T. Natarajan, Additional Secretary (Defence Production), Ministry of Defence was appointed as Government Nominee Director of the Company by Government of India, Ministry of Defence, Department of Defence Production vide letter no. 8(32)/2019-D(Coord/DDP) dated 23rd December 2022.

3. Pursuant to the provisions of Section 152(2) of the Companies Act, 2013, save as otherwise expressly provided in the Act, every director shall be appointed by the company in general meeting. The Board, therefore, proposes the aforesaid appointment of Shri T. Natarajan as Government Nominee Director on the Board of the Company on the same terms and conditions as determined by the Government of India for approval of the Members.

4. The brief profile of Shri T. Natarajan is given as under:

   Shri T. Natarajan has completed his graduation in Mining Engineering from College of Engineering, Guindy, Anna University and M.B.A. in Finance from Bharathidasan Institute of Management, Bharathidasan University. He is a 1996 batch Indian Administrative Officer from Gujarat Cadre. Shri Natarajan held various administrative posts in the Government of India related to Economic Affairs, Finance, Revenue, HRD, etc. and also served as director in many listed and unlisted companies. He is presently holding the post of Additional Secretary (Defence Production) in Department of Defence Production, Ministry of Defence, Govt. of India. He is also a Government Nominee Director of Hindustan Aeronautics Limited and Bharat Electronics Limited.

5. The Board recommends the Ordinary Resolution set out in Item No. 4 of the Notice for approval of the Members.

6. None of the Directors, Key Managerial Personnel of the Company or their relatives except Shri T. Natarajan is in any manner, concerned or interested, financially or otherwise, in the resolution.

Item No. 5

7. In terms of Articles 117(1) and 130(a) of the Articles of Association of the Company, the President of India is vested with the power to appoint Functional Director of the Company. Accordingly, Shri Sunil Shivaling Bagi was appointed as Director (Finance) of the Company by Government of India, Ministry of Defence, Department of Defence Production vide letter no. 2/1(3)/2019/D(NS) dated 26th September 2022 with effect from the date of his assumption of charge of the post i.e. 28th September 2022 till the date of his superannuation i.e. 31st July 2025, or until further orders, whichever is earlier.

8. Pursuant to the provisions of Section 152(2) of the Companies Act, 2013, save as otherwise expressly provided in the Act, every director shall be appointed by the company in general meeting. The Board, therefore, proposes the aforesaid appointment of Shri Sunil Shivaling Bagi as Director (Finance) of the Company on the same terms and conditions as determined by the Government of India for approval of the Members.

9. The brief profile of Shri Sunil Shivaling Bagi is given as under:

   Shri Sunil Shivaling Bagi, a Finance professional, carries with him more than 30 years of diverse experience at different levels. He is a Post Graduate in Commerce and a qualified Cost Accountant & Company Secretary. He joined GSL in 1992 as Accounts Officer and has reached to this coveted post with his dedication and hard work. At GSL, while heading the finance functions as Chief General Manager (Finance), Shri Bagi has significantly contributed in developing financial strategies and policies for budgeting, pricing, cost control and profit planning for achieving the overall goals of the Company. He has played pivotal role in exploring and evaluating new business opportunities and business

development of the Company. He is instrumental in Capability Augmentation cum Modernization Program of GSL of Rs 1,398 Cr executed at GSL.

10. The Board recommends the Ordinary Resolution set out in Item No. 5 of the Notice for approval of the Members.

11. None of the Directors, Key Managerial Personnel of the Company or their relatives except Shri Sunil Shivaling Bagi is in any manner, concerned or interested, financially or otherwise, in the resolution.

Item No. 6

12. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records maintained by the Company. The remuneration payable to the Cost Auditor has to be ratified by the members of the Company.

13. The Board at its 04/2023 meeting held on 28th July 2023 has appointed CMA Dilip Vengurlekar Cost Accountant, Panaji, Goa as Cost Auditor to conduct the audit of cost records of the Company for the financial year 2023-24 at a remuneration of Rs 1,50,000/- plus GST and out of pocket expenses at actual subject to maximum of Rs 25,000/- plus applicable taxes thereto.

14. Accordingly, the Members are requested to consider and ratify the aforesaid remuneration payable to the Cost Auditor for the financial year 2023-24, by passing the Ordinary Resolution as set out in Item No. 6 of the Notice.

15. None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any manner, concerned or interested, financially or otherwise, in the said resolution.

By Order of the Board
For **Goa Shipyard Limited**

Sd/-
(Chhaya Jain)
Company Secretary

Place: Vasco da Gama, Goa
Date: 28 July 2023

DIRECTORS' REPORT FOR THE YEAR 2022-23

To
The Members,

The Board of Directors takes pleasure in presenting the 57th Annual Report on business and operations of the Company, together with the Audited Financial Statements for the year ended 31 Mar 2023.

BUSINESS OVERVIEW

1. Your Company registered an impressive growth of 21% in gross revenue in FY 2022-23. During the year under review, your Company signed a major contract worth Rs 5,965 Cr for construction of seven Next Generation Offshore Patrol Vessels for the Indian Navy. With signing of this contract, the order book position of the Company has touched an all-time high value of more than Rs 20,000 Cr. Presently, your Company is executing multiple contracts comprising of major projects such as construction of two Frigates for the Indian Navy, two Pollution Control Vessels and eight Fast Patrol Vessels for the Indian Coast Guard and Floating Dock for the Sri Lanka Navy. During the year, the Yard has also witnessed increase in refit projects which have contributed considerably to the revenue of the Company.

PERFORMANCE HIGHLIGHTS AND FINANCIAL RESULTS

2. **Revenue from Operations**. During FY 2022-23, your Company posted an improvement of 17% in Operating Revenue and Value of Production compared to FY 2021-22. The Revenue from Operations for FY 2022-23 and the previous year is given below:-

(₹ in crore)

Particulars	2022-23	2021-22
Ship Construction	509.34	513.55
Ship Repairs	159.59	38.74
General Engineering Services	156.04	151.41
Total Value of Production	824.97	703.70
Other Operating Revenue	44.46	36.65
Total	**869.43**	**740.35**

3. **Financial Performance**. During FY 2022-23, the Company achieved Gross Revenue of Rs 1,045.80 Cr, an increase of 21% compared to Rs 864.75 Cr earned in FY 2021-22. Profit Before Tax is Rs 205.01 Cr for 2022-23 as against Rs 135.43 Cr in the previous year and registered an impressive growth of 51%. The Financial Performance of the Company for FY 2022-23 vis-à-vis the previous year is summarized below:

(₹ in crore)

Particulars	2022-23	2021-22
Gross Revenue	1,045.80	864.75
Revenue from Operations	869.43	740.35
Earnings before Interest, Taxes & Depreciation	267.33	195.35
Less: Finance Costs	0.47	0.26
Less: Depreciation	61.85	56.02
Profit Before Exceptional Items and Tax	**205.01**	**139.07**
Less: Exceptional Items	-	3.64
Profit Before Tax	**205.01**	**135.43**
Less: Tax Expense	50.47	34.34
Profit After Tax	**154.54**	**101.09**
Other Comprehensive Income (net of tax)	(0.06)	(1.47)
Total Comprehensive Income	**154.48**	**99.62**
Profit & Loss Appropriation Account		
Amount available for appropriation (including Opening Balance)	223.82	188.80
Less: Final Dividend paid for the previous year	12.80	11.64
Less: Interim Dividend paid	43.66	37.83
Less: Amount transferred to Reserves	56.00	70.00
Balance	**111.36**	**69.33**

MOU RATING

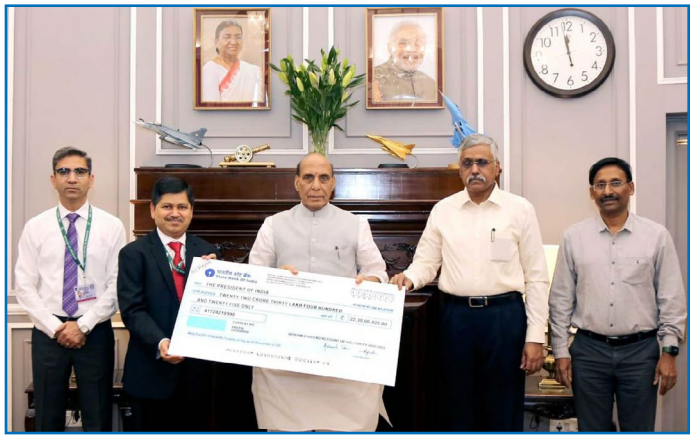
4. Your Company signs Memorandum of Understanding (MoU) with Government of India, Ministry of Defence (MoD) in each financial year, which outlines targets and various performance parameters for the Company. On the basis of actual performance vis-à-vis MoU targets laid down in MoU for FY 2022-23, your Company is likely to be rated as "Very Good".

DIVIDEND

5. The Board of Directors declared and paid interim dividend for FY 2022-23 @ Rs 3.75 per equity share of Rs 5.00 each, being 75% of the Paid-up Share Capital, which amounted to Rs 43.65 Cr, subject to tax deducted at source.

6. After reviewing the profits for the year and financial position of the Company, and in terms of the Government Guidelines in vogue, the Board of Directors is pleased to recommend final dividend for FY 2022-23 @ Re 1.65 per equity share i.e. 33% of

the Paid-up Share Capital, amounting to Rs 19.21 Cr, subject to tax deduction at source. If approved by the Shareholder, the total dividend for FY 2022-23 will be **Rs 5.40 per equity share being 108% of the Paid-up Share Capital and total outgo will be Rs 62.86 Cr.**



CMD, GSL presenting Interim Dividend Cheque for FY 2022-23 to the Hon'ble Raksha Mantri Shri Rajnath Singh

FINANCE

7. **Paid-up Share Capital:** The Paid-up Share Capital of the Company as on 31 Mar 2023 was Rs 58.20 Cr.

8. **General Reserve**: An amount of Rs 56.00 Cr was transferred to General Reserve during FY 2022-23 and thus total General Reserve stood at Rs 1,076.87 Cr as on 31 Mar 2023.

9. **Loans, Guarantees or Investment**: Your Company has not given any loans, guarantees or made any investments under Section 186 of the Companies Act, 2013.

10. **Financial Position**: The financial position of the Company as on 31 Mar 2023 and previous year is shown below:-

(₹ in crore)

Particulars	As on 31.03.2023	As on 31.03.2022
Capital Employed	1,246.86	1,148.83
Working Capital	761.99	656.92
Net Worth	1,246.43	1,148.40
Value Added	355.02	316.43
Ratios:	%	%
Profit before Interest, Exceptional Item and Tax : Capital Employed	16.48	12.13
Profit After Tax : Net Worth	12.40	8.80
Value Added : Capital Employed	28.48	27.54

11. **Contribution to Exchequer**: The Company's contribution to the Exchequer during FY 2022-23 was Rs 104.05 Cr (Rs 113.11 Cr last year). Details of Company's contribution to the Exchequer is given below:

(₹ in crore)

Particulars	2022-23	2021-22
Dividend	28.84	25.28
Taxes:		
Corporate Income Tax	47.50	37.50
Goods & Services Tax	27.71	50.33
Total	**104.05**	**113.11**

OPERATIONAL PERFORMANCE

Ship Construction

12. **Progress of Advanced Frigates**: The Company is presently executing the prestigious contract for construction of two Advanced Frigates for the Indian Navy. In the spirit of Make in India and Aatmanirbhar Bharat, your Company is steering the development of indigenous substitutes in coordination with the Indian Navy and Indian industry. Majority of these indigenous substitute equipment is in advanced stages of development and post trials & testing, these are likely to be supplied to the Shipyard in near future for onboard installation activities. Regardless of the uncertainties in global scenario and delay in supply of critical equipment/material, the Yard is working towards meeting the project timelines. The project has been game changer, equipping the Shipyard with requisite expertise and know-how in design and construction of complex weapon intensive platforms. Besides providing exponential growth in revenues, it will be a stepping stone for obtaining similar shipbuilding projects with high degree of complexity.

13. **Pollution Control Vessels (PCVs)**: At present, your Company is handling the construction of two PCVs for the Indian Coast Guard. Keel laying ceremony of PCV project was held on 21 Nov 2022 at the hands



Keel Laying of Yard 1267 of PCV on 21 Nov 2022

of DG V S Pathania, PTM, TM, Director General, Indian Coast Guard. Design phase of the project is in advanced stage of completion and physical construction of both the vessels is progressing simultaneously. Hull construction and outfitting activities are advancing satisfactorily.

14. **Fast Patrol Vessels (FPVs)**: Your Company has undertaken construction of eight FPVs for the Indian Coast Guard. Plate cutting ceremony of FPV Project was held on 21 Nov 2022 at the hands of IG D R Sharma, PTM, TM, Deputy Director General (M&M), Indian Coast Guard. Design process for the project has advanced significantly. Physical construction of first two vessels has commenced.



Plate Cutting of FPV Project on 21 Nov 2022

15. **Next Generation Offshore Patrol Vessels (NGOPVs)**: The contract for construction of seven NGOPVs was signed on 30 Mar 2023. Your Company is the lead shipyard for this contract and seven vessels will be built by GSL & four vessels by Garden Reach Shipbuilders & Engineers Limited (GRSE). Design process, which is being entirely developed in-house by your Company, has commenced. This project will consolidate the Company's domain expertise in Offshore Patrol Vessels and open future prospects of obtaining more orders, particularly for defence exports.

Ship Repairs

16. During the year, your Company reported an impressive growth from Ship Repair vertical and clocked the highest ever revenue of Rs 159.59 Cr as compared to Rs 38.74 Cr in FY 2021-22, registering a notable 4x increase. The Yard executed refit of multiple vessels concurrently and completed refit of six vessels & fitment of SRCG onboard two Coast Guard vessels during the year. Refit of four vessels were in progress as at the end of the year. With the persistent focus of the Company in enlarging the refit base, the refit vertical is growing steadily and contributing significantly to revenue of the Company.

General Engineering Services (GES)

17. GES vertical of the Company is engaged in construction of following projects during the year:

    (a) Completed the construction of three 7.5 T Bollard Pull Tugs for Assam Inland Water Transport Development Society (AIWTDS) and despatched to Assam after successful tests and trials. First Tug was handed over to AIWTDS on 04 Mar 2023 before contractual delivery schedule.

    (b) Successfully delivered one 15M Fast Interceptor Boat within contractual delivery period to Govt. of Goa for Coastal Police for the purpose of Coastal Surveillance.

    (c) Construction work of Damage Control Simulator at Port Blair for the Indian Navy is progressing as per schedule to meet contractual delivery of Oct 2023.

    (d) Two 2000 LPG Cylinder Carrier Vessels for Union Territory of Lakshadweep Administration (UTLA) is under advance stage of construction.

    (e) Construction of twelve specialised boats for the Indian Army is underway.

    (f) Besides, GES vertical is also providing the following:

        (i) Maintenance support for Shore Based Training Facility, GSL built Damage Control Training Facility and Nuclear, Biological & Chemical Training Facility;

        (ii) Training on Survival at Sea to ONGC personnel on the training vessel "Samudra Shiksha";

        (iii) Continues to execute stern gear supply / service orders for Naval/Coast Guard OPVs and also provided assistance for the system already installed onboard the Aircraft Carrier built by Cochin Shipyard Limited (CSL) for the Indian Navy; and

        (iv) Mid Life up-gradation of boats for Karnataka Coastal Security Police.

Export

18. **Sri Lanka Floating Dry Dock**: The Company is executing a contract for construction of 4000 T Floating Dry Dock for the Sri Lanka Navy. Detail design work is in advance stage of completion.

ORDER BOOK POSITION

19. As on 31 Mar 2023, the net value of works to be executed in respect of orders received by the Company for Ship Construction, Ship Repair/ Refit work, General Engineering Services, Annual Maintenance Contracts, B&D Spares amounted to Rs 20,146 Cr which consists of the following major projects:

Project / Vessel	No
Advanced Frigates for Indian Navy (IN)	02
Next Generation Offshore Patrol Vessels for IN	07
Pollution Control Vessels for Indian Coast Guard (ICG)	02
Fast Patrol Vessels for ICG	08
Damage Control Simulator for IN	01
Specialised Boats for Indian Army	12
Floating Dock for Sri Lanka Navy	01
LPG Cylinder Carrier Vessels for UTLA	02
Ships under repairs	04

BUSINESS DEVELOPMENT

20. Production advancement of multiple projects coupled with an excellent order book position will enable the Shipyard to grow consistently and provide multifold surge in revenue in the coming years. In its quest to secure more orders in both shipbuilding and refit sections, the Yard endeavours to expand its product profile aligning with market requirements and technological upgradation. Apart from harnessing the core competencies gained over the years in warship building, your Company is continuously targeting upcoming & diversified projects of the Indian Navy, Indian Coast Guard, Ministry of Home Affairs, DRDO, Inland Waterways Authority of India, Shipping Corporation of India and other commercial clients. Considering orders in hand, expertise, sustainability and market demand, marketing strategies have been planned and competitive bids have been submitted for the domestic defence as well as commercial shipbuilding orders.

21. Our willingness to adopt latest technologies and advance equipment in various areas of operations would play a significant role in improving efficiency, quality and productivity of the Company. Thus, the Company has embarked on a mission to adapt Industry 4.0 practises in its core areas of functioning such as Design, Planning, Production and Supply Chain Management.

22. Encouraging response to Yard's ship repair activities and constant winning of contracts for refit of various defence and commercial vessels have propelled the growth of this vertical during the year. In order to maintain the growth momentum, the Company is bidding aggressively for RFPs issued by the maritime forces & other customers.

EXPORT INITIATIVES

23. Your Company intends to revamp its presence in the export market. GSL has been consistently seeking export opportunities globally and is in constant dialogue with various Indian Embassies/ High Commissions abroad to expand its product outreach to prospective customers. Backing on its on-time delivery track record developed in the past six decades, GSL is participating aggressively in the global tenders issued by various countries and are in dialogue with foreign navies to fulfil their requirements. GSL is exploring the possibility of converting the requirements of Government agencies of target countries to projects under LoC. Efforts are on for pursuing exports with various countries following both the G2G route wherein the Government of India have opened Lines of Credit with funding typically extended by EXIM Bank as well as the B2B route with sovereign guarantee of the recipient nation. GSL has also appointed management representatives for promoting GSL's product line in global market.

AZADI KA AMRIT MAHOTSAV

24. To commemorate 75 years of India's Independence, GSL participated in "Exhibition on contribution of CPSE's in Nation building since Independence - Showcasing their first-in-the country product/ services" under the "Azadi Ka Amrit Mahotsav" (AKAM) organised by DPE from 09 to 12 Jun 2022 at Gandhinagar, Gujarat. GSL showcased its contribution towards Nation building and featured its product line.

25. GSL actively participated in "Har Ghar Tiranga" campaign launched by Government of India under the aegis of AKAM to encourage the citizens to Hoist the National Flag of India in their homes during the Independence Day week from 13-15 Aug 2022. Total of 3300 National flags were procured and distributed during the said campaign. To emphasise on Jan-Bhagidari and Public Participation which is the main theme of AKAM celebration for 2022-23, various types of dance performances and speeches on great freedom fighters were presented by school children on Independence Day and Republic Day which fostered the feeling of national integration.



GSL participation in 'Har Ghar Tiranga' campaign

26. As a part of AKAM celebration, essay & slogan competition (Importance of Aatma Nirbhar Bharat) was organised for CISF and GSL personnel and essay competition for their children. Further, tree plantation drive wherein 100 saplings were planted at yard premises and residential areas, as a part of Green Environment & Sustainability measures.

INDIGENISATION AND MAKE IN INDIA INITIATIVES

27. GSL has been consistently progressing towards achieving self-reliance by implementing "Make in India and Indigenisation" policies promulgated by the Government from time to time and partnering with local industries to increase indigenisation in key areas of shipbuilding technology. To achieve self-dependence and reducing import in defence manufacturing, Government of India has notified list of equipment & platforms which are only to be procured from Indian Industry as per the import embargo timelines.

28. Out of the First Positive Indigenisation List (PIL) of 351 new items/equipment notified on 27 Dec 2021 by Department of Defence Production (DDP), MoD, GSL has successfully indigenised 23 equipment/ systems for Advanced Frigates in collaboration with Indian vendors. This project is scheduled to have fairly large indigenous content of approx. 55% which includes major technology oriented equipment, weapons and sensors etc. Further, out of the Second PIL of 107 items/equipment notified by DDP, MoD in Mar 2022, GSL is in the process of indigenisation of item/equipment for FPV & OPV platforms. From the Third PIL of 780 items/equipment notified by DDP, MoD in Aug 2022, 12 items/equipment are identified for indigenization, which will be required for future upcoming projects. The Company is working towards maximising the indigenisation content of the ongoing projects viz. PCV, FPV and NGOPV. Your Company regularly uploads the details of items required to be indigenized on Srijan portal for encouraging the participation of Indian firms in the indigenisation process. Out of 180 imported equipment/ items uploaded on portal by GSL, 57 equipment/ items have been successfully indigenised which can be sourced from Indian firms.

29. GSL has also successfully indigenized, in co-operation with Wartsila, Water Jet Inlet Ducts for Water Jet Propulsion system being fitted on Anti-Submarine Warfare Shallow Watercraft, being built by GRSE and CSL for the Indian Navy. GSL is also collaborating with foreign OEMs for indigenisation of critical systems/components for meeting the future requirements of defence forces. The ongoing geopolitical situation has also opened up new opportunities for increased indigenization, which is steadily being progressed at GSL.

PROCUREMENT

30. To bring higher transparency in procurement, your Company has maximised the utilisation of e-procurement platforms for procurement of materials and services. During FY 2022-23, more than 93% of total requirements was sourced through e-procurement mode.

31. Your Company has adopted Government e-Marketplace (GeM) system of online procurement of items which are available in GeM. GSL has carried out numerous transactions through GeM portal till date and procured materials & services worth Rs 292.19 Cr through GeM during FY 2022-23, a substantial increase from last year procurement of Rs 94.18 Cr. Further efforts are being made to improve the procurement through GeM.

32. Preferences are being given to Startups for procurement of required goods & services and in order to enable their wider participation, your Company has relaxed norms with respect to prior experience and turnover, without compromising technical specification and quality standards.

PROCUREMENT FROM MICRO AND SMALL ENTERPRISES (MSEs)

33. Your Company has been providing increased thrust on enhancing procurement from Micro and Small Enterprises (MSEs) and has implemented the Public Procurement Policy for MSEs issued by the Ministry of MSME. The Company has reserved 18 Shipbuilding project specific items for exclusive procurement from MSEs, over and above 358 items reserved by

the Government of India and instituted liberalized payment terms in order to enhance their liquidity to tackle multiple long-term projects smoothly. As a result of its focused efforts, your Company has achieved 60% of the indigenous procurement (excluding BNE items) from MSE sector, as against the mandatory target of 25%. GSL strives to achieve the sub-target fixed for procurement from SC/ST and women entrepreneurs.

34. The Company is registered on "MSME Sambandh" portal for regular uploading of procurement data & other details and "MSME Samadhaan" portal for ensuring resolution of grievances related to payment to MSEs. The Company has onboarded on TReDs platform, to ensure timely payment to MSMEs and all efforts are made to bring the MSMEs on this platform.

VENDOR DEVELOPMENT MEETS

35. In line with the Government of India policies, your Company strives to increase its vendor base, especially from MSE and SC/ST sectors by way of conducting special drives including registration of vendors on GeM portal and participating/organizing several meets, webinars and programmes. Your Company extends technical guidance and requisite support to MSEs wherever required.

36. Vendor development is a continuous process and during the year, your Company in association with office of MSME organised a "Two-day vendor development program for MSEs", wherein training sessions on GeM, TReDS registration and processing of invoices on TReDS, initiatives offered by MSME/ NSIC units etc. were shared with participating MSEs. GSL also participated in various vendor development meets notable ones are South Asia's largest maritime exhibition & conference - INMEX SMM India; National Defence MSME Conclave and Exhibition organized by DDP, MoD through SIDM and National Seminar cum Exhibition on "Scope for Growth & Development of MSMEs and CPSE level Vendor Development Programme cum Exhibition".



Vendor Development Program for MSEs

INTEGRITY PACT

37. In line with the directives of MoD and initiatives of the Central Vigilance Commission (CVC) to eradicate corruption in procurement activity, the Company has adopted Integrity Pact for procurement transactions/ contracts above Rs 2.00 Cr. The Pact essentially envisages an agreement between the vendors/ bidders and the buyer (GSL), committing the persons/officials of both sides, not to resort to any corrupt practices in any aspect/stage of the contract. Only those vendors/bidders, who commit themselves to the Pact, would be considered competent to participate in the bidding process.

38. In accordance with CVC circular on "Adoption of Integrity Pact", the Company has appointed Shri Paul Antony, IAS (Retd.) and Smt. Anita Pattanayak IA&AS (Retd.) as Independent External Monitors (IEMs) for monitoring implementation of Integrity Pact. During FY 2022-23, total 78 contracts worth Rs 988.80 Cr (approx.) were covered under Integrity Pact and reviewed by the IEMs and none of the Integrity Pact contracts attracted complaint/ grievance of any nature. Further, no complaints were received by the IEMs from any of the vendors of the Company.

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

39. While Government Companies engaged in producing defence equipment are exempted to furnish the information with regard to conservation of energy, technology absorption, foreign exchange earnings and outgo under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 vide Ministry of Corporate Affairs Notification GSR No.680 (E) dated 04 Sep 2015, limited information on Conservation of Energy and Technology Absorption of your Company is provided herein below:

Conservation of Energy

40. **Steps taken by the Company to conserve energy**: During FY 2022-23, the Company took following steps to conserve energy:

(a) Conventional lighting was replaced with LED light in SOW & high masts and also resorted to use of LED light onboard ships under construction.

(b) Maintaining power factor to unity for optimizing the energy billing units.

(c) Major overhaul of DG sets was carried out to improve the fuel efficiency.

(d) Use of variable frequency drives for electrically operated cranes.

(e) Display of various energy saving banners, posters and stickers in the Yard for spreading awareness on energy conservation.

41. **Steps taken by the Company for utilising alternate source of energy**: Solar power was generated & exported to grid from Unit 2 & Unit 4 and solar power street lights were used for periphery lighting. Installation of 2350 kwp solar power plant is being planned for FY 2023-24.

42. **The capital investment on energy conservation equipment**: During FY 2022-23, the Company invested Rs 72 lakh on energy conservation and renewable source energy equipment.

Research & Development (R&D)/Technology Absorption

43. GSL is recognized as "in-house R&D unit" by the Government of India, Ministry of Science and Technology, Department of Scientific & Industrial Research. R&D department at GSL has continued its efforts towards design and development of new platforms/ products/technologies and activities to enhance its capability with a view to bring technological superiority to its products and in order to cope up with the future technological challenges.

44. The Company has well established CAD/CAM facility with the latest AVEVA Marine software with advanced features; and recently operationalised FORAN ship design software as second line of CAD/CAM facility for further complementing the capability and reliability of design and testing facility. The Company is also having in-house capability for analysis and verification of ship designs, using software for Finite Element Analysis and Computational Fluid Dynamics.

45. R&D has always been a thrust area for the Company and to further enhance the design capability, your Company has set up a Virtual Reality Centre (VRC) to create an immersive virtual reality environment that would be used to visualize the 3D stereoscopic model of warship and use them for design review. This is also expected to showcase shipyard products and capabilities to various prospective customers. The overall goal of VRC is to provide ship designers the ability to visualize and interact with a digital mock-up and enable to solve complex design problems and analyse various aspects related to ergonomics at early design phase itself, thus avoiding delays & constraints and reduce the number of hindsight design changes.

46. During the year, design and construction activities for PCV & FPV platforms for the Indian Coast Guard and NGOPV for the Indian Navy have been progressed which would result in significant savings in foreign exchange by avoiding import of ship designs and achieving self-reliance in this area to a large extent. Further, PCVs have been designed to be equipped with the latest pollution control systems and this indigenous product has a tremendous potential in domestic as well as export markets, considering emphasis and awareness on environmental/marine pollution. In addition to the above, the Company has pro-actively taken up the design and development of specialized vessels such as High Value Weapon Intensive Vessel, New Generation Fast Patrol Vessel and Offshore Patrol Vessel, which can be offered for export to friendly foreign countries.

47. A significant part of the design process of Frigate project has been completed. This has provided GSL with invaluable design database and experience related to weapon intensive platform and equip the Shipyard with capability to indigenously design complex and advanced weapon intensive platforms such as New Generation Corvettes, planned for acquisition by the Indian Navy.

48. During the year, the expenditure to the tune of Rs 10 Cr was incurred by the Company under the R&D head.

iDEX AND ARTIFICIAL INTELLIGENCE (AI) INITIATIVES

49. Your Company is actively participating in iDEX initiative of Govt. of India and in collaboration with Start-ups/ MSMEs/ Innovators has accepted various challenges such as Reduction of Radar Cross Section (RCS) for Naval warships and Condition Monitoring System (CMS) for high valued assets. RCS Simulation Software is being customised specifically for marine vessels and is capable of CAD pre-processing, simulation, post processing and visualization. Use of dielectric materials and hotspot analysis make this

a unique tool. GSL, through DIO-iDEX has engaged startups for developing RCS reduction technique solution and AI based CMS for yard assets.

50. Following AI based products are being developed at GSL:

    (a) **Real time prognosis and diagnosis of high valued assets (Ship Lift System & LLC Cranes):** The project is aimed at developing AI based Condition Monitoring System (CMS) that will help GSL to undertake timely maintenance of critical assets and avoid catastrophic failure. The CMS shall also be capable of predicting failure and give maintenance alerts to the users. GSL is undertaking the project through iDEX. Work on the project has commenced and is scheduled to be ready for deployment by early 2024.

    (b) **Autonomous Surface Vessel (ASV):** The ASV built in collaboration with M/s Bharat Electronics Limited has been fully deployed and in active service with Indian Navy. GSL is pursuing orders for supply of ASV to Indian/Foreign Navy, Indian Coast Guard, Disaster Management, Pollution Control Board, Marine Police etc. GSL is further developing ASV of smaller variant for special operation requirement of the Indian Armed forces.

51. **Tie-ups with Academia/Startups:** GSL is also pursuing tie-ups with reputed technical education institutes like IISc, Bengaluru, BITS Pilani etc. as well as startups for identifying new AI use cases based on current trends in AI technology.

MISSION RAKSHA GYAN SHAKTI

52. Under Mission Raksha Gyan Shakti initiatives of MoD, your Company has continued its concerted efforts towards Intellectual Property Rights (IPR) regime and filed 13 IPR applications during FY 2022-23. GSL has a dedicated IPR cell to promote invention, innovation and IPR awareness. GSL regularly conducts IPR awareness session to inculcate IPR culture amongst employees and during the year, training was imparted to 21 personnel.

QUALITY ASSURANCE (QA) AND SAFETY

53. Maintaining high standard of product quality and improving production processes through strict quality assurance measures, to ensure product reliability, high efficiency and increased customer satisfaction index is one of the Core Values of your Company. GSL is certified for Integrated Management System on ISO 9001:2015 for Quality Management System; ISO 14001:2015 for Environment Management System and ISO 45001:2018 for Occupational Health & Safety Management System by Indian Register Quality Systems, Mumbai. The certification is for "Design, Construction and Repairs of Ships and Craft and providing General Engineering Services". Quality Management with the help of ISO 9001:2015 has led to improvements by coordinated efforts of ERP, Risk Management and also upgrading of technical competence by external and internal expertise through sharing of "lessons learnt" on GSL knowledge portal.

54. The Yard has a well experienced QA inspection team, which is continuously trained in adopting updated inspection methodologies and best practices. Ship construction, ship repair and general engineering activities are monitored both by in-house QA dept and external inspection agencies. The Yard continuously focuses on defect avoidance, reducing build periods and reduction of D448 defects at the time of handing over of the ships.

55. The ISO implementation team coordinates in execution of Risk Management Policy of the Company. All sections of the Company identify risks that affect their areas of operation on a quarterly basis in ISO departmental review meetings. The risks are discussed at different levels of management. High risk issues thus identified are put up to the Board periodically for review.

56. Your Company upholds safety as an integral part of shipbuilding and ship repair processes. Systematic approach to safety management has been adopted through close monitoring and implementation of safety norms and procedures at work place. The Yard has implemented Work Permit Systems, Safety Tool Box Talks, Hazard Identification & Risk Assessment and Aspect Impact evaluation in every section to bring zero accident, zero rework and brings down environment pollution to the lowest possible levels. A dedicated internal safety cell and external agencies authorised by Chief Inspector of Factories carried out safety audits and inspections.

INDUSTRIAL SECURITY

57. The physical security of GSL Offices, Yard and Unit II have been vested with Central Industrial Security Force (CISF) contingent. DGR registered security agency has been deployed at Unit III, IV & V, which basically are makeshift godowns & warehouses. GSL

Transit Hostel is manned by private security round the clock. Two patrolling boats are deployed for waterfront patrolling duties by CISF and requisite CCTV system covering all critical and important locations are in place. Safety audit, awareness programmes, fire safety training, contingency exercise and mock drills are being conducted at regular intervals during the year.

NATIONAL RECOGNITION / AWARDS

58. The Company bagged the following awards during FY 2022-23:-

    (a) Governance Now 9th PSU Awards for "HR Excellence".

    (b) Special Jury - HR Excellence Award 2022 for "Managing Organisational Change & Excellence through innovative HR Practices" under the Work Vision Programme organized by ASSOCHAM.

    (c) PSE Excellence Award for "Contribution of Women and Differently Abled in PSEs" organized by Indian Chamber of Commerce.

    (d) "22nd Annual Greentech Environment Award 2022" by The Greentech Foundation for outstanding achievements in "Environment Protection" category.

HUMAN RESOURCE

Manpower

59. The total manpower strength as on 31 Mar 2023 is 1,277 including 235 executives, 112 supervisors, 822 workmen and 21 tradesman trainees. Additionally, the manpower strength also includes 13 executives, 02 supervisors and 72 workmen on fixed term basis. The total strength includes 28 executive and 110 non-executive women employees.

60. The position regarding representation of SCs/ STs/OBCs/PwBDs (i.e. Persons with Benchmark Disabilities) and women personnel in various categories as on 01 Jan 2022 and 01 Jan 2023 is given in **Annexure A**. The particulars of Recruitment of SCs/STs/OBCs/ PwBDs and women personnel during the calendar year 2022 are given in **Annexure B**.

61. The reservation of 4% for recruitment of PwBDs has been provided in Group 'A', 'B', 'C' and 'D' categories in compliance with the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 and the Rights of Persons with Disabilities Act, 2016.

Industrial Relations

62. GSL continued to maintain and foster cordial industrial relation atmosphere during the year. Multi-unions/associations scenario continued in the Company. Overall industrial relations between the Management and Unions/Associations continued to be peaceful and smooth. The Workmen Unions / Associations cooperated with the Management to work towards the common objectives of the Company. Meetings with the representatives of the Unions / Officer's Associations were held to discuss various issues. Grievance Redressal Mechanism is in place in the Company to address employee grievances/ representations.

Learning and Development of Human Resources

63. The Company strongly believes in enhancing the efficiency of the workforce in an atmosphere that encourages pursuit of individual excellence and cohesive teamwork. Your Company is nurturing and developing a well-balanced workforce at all levels through exposure to various Learning & Development programs.

64. During FY 2022-23, online, external and in-house training & skill development programs on various technical, functional and behavioural areas were conducted covering 741 employees involving 1469 mandays. Special focus was given on mandatory training programs on safety & health of employees. Awareness session/training programs on POSH, IPR, Cyber Security, Vigilance etc. are being organised regularly by GSL. Further, programs on general safety, safety in welding cutting jobs, safety while working at confined places, materials handling, environment and health issues, mock drill for emergency preparedness etc. were also conducted for the benefit of contractors/contract workmen.

65. Technical Training Programs aimed at improving the productivity and ensuring up-gradation of skill sets to match with the Company's requirements, covering various subjects such as Specialized NDT Training Programs through Liquid Penetrant Testing, Radiographic Film Interpretation Level I & II were conducted in-house.

Apprenticeship Training

66. GSL is committed to fulfil its obligations under the Apprentice Act, 1961 and strived to induct 11% of its total strength as apprentices during FY 2022-23 as against the statutory requirement of 2.5%. During FY 2022-23, GSL had engaged a total of 159

Apprentices which include 124 Trade Apprentices, 16 GET/Technician Apprentices and 19 Sandwich Apprentices.



Grow & Glow Program organized for specially abled employees of GSL on 27 Oct 2022

67. Considering the fact that shipbuilding is a complex and sophisticated activity requiring highly skilled and trained manpower, GSL has implemented "Advanced Training Scheme for Ex-Apprentice". As per the Scheme, the Apprentices after completing their apprenticeship may be provided advance training for a period of two-year subject to availability of resources and available jobs. These trainees will be entitled for stipend at rate of 150% and 175% of their last stipend drawn during first and second year of advance training period respectively and their exposure to shipbuilding under the advanced training period will be considered as experience whenever any job vacancy is notified by the Company.

DPSU HR Meet

68. With a view to stay abreast of changing HR policies & processes, your Company had taken an initiative to organize the 3rd DPSU HR Meet on 23 & 24 Feb 2023 in Goa, involving senior HR heads of 16 Defence Public Sector Enterprises including the newly formed OFB DPSUs. Two-day event was aimed at knowledge sharing and exchange of best practices between HR executives of DPSUs. The program was specially curated by GSL to create a unique platform to exchange ideas, share knowledge and address some of the prevailing HR issues of DPSUs.



3rd DPSU HR Meet on 23 & 24 Feb 2023 held in Goa

Employee Welfare Measures

69. Employee welfare is an integral part of the human resources development at GSL. Your Company meticulously followed the compliance of statutory welfare provisions like providing canteen facility, employee rest room, first aid appliances, crèche, ambulance, etc. The Company also provides welfare and safety items like safety shoes, safety helmet, boiler suit cloth, etc. to its employees every year.

70. The well-being of employees of your Company are taken care and following welfare measures are being provided/implemented:

(a) Superannuation Pension Scheme for Executives & Non-unionised Supervisors and for Workmen on permanent rolls has been revised during the year by migrating from LIC to National Pension Scheme regulated by PFRDA which provides attractive income tax benefits, offering more flexibility in investment options to the employees and also ensures a hassle-free life post retirement;

(b) Revised Awards and Recognition Scheme has been promulgated during the year covering Excellence Award for Executives, Shram Shree for Non-Executive, Young Achiever Award, Individual / Group Special Commendation Award and On the Spot Award towards recognition of individual ingenuity & creativeness and reinforce performance driven work culture;

(c) Long service award to employees who have clean record of 15 years and 25 years of service;

(d) Innovation Award Scheme with the objective to promote individual/ team innovativeness and encourage & tap creative potential of the employees for betterment of performance;

(e) Incentives for higher education and self-development in related skills, etc.;

(f) Accident Cover and Comprehensive Medical Assistance through Group Insurance Schemes;

(g) Financial Assistance by way of relief of Rs 4.00 lakh through contributory Goa Shipyard Employees Death Benevolent Fund to spouse or nominee of the employees in case of any untoward incident of death of employee during service period;

(h) Medical Assistance Scheme to the retired employees through Post Retirement Medical Insurance Scheme;

(i) Scholarship to the employees' children as an incentive for pursuing higher education;

(j) Subsidised loan scheme for purchase of electric vehicles by GSL employees;

(k) Group Saving Linked Insurance Scheme to provide life cover for Officers, Supervisors and Employees and at the same time thrift of saving;

(l) Compassionate Appointment Scheme to provide employment on compassionate grounds to a family member who was fully dependent on the employee of GSL (including Officer) who dies as a result of an industrial accident while on duty/ temporary duty.



Mrs. Regina Dourado, employee of GSL won second place in 43rd National Masters Athletics Championships - 2023

71. The Company also encourages employees to actively participate in various sports/tournaments. In this regard, an indoor badminton court and outdoor gymnasium have been set up in the officers' residential enclave along with provision for sporting activities in the sports complex. Mrs. Regina Dourado, an employee of the Company has represented Goa State in 43rd National Masters Athletics Championships - 2023 under 55+ age category held in Kolkata and won second place in 800 mtrs, 400 mtrs event and in 4 X 100 mtrs relay.

72. Besides the aforesaid welfare measures, the Company also provides scholarships to the SC/ST/ OBC students in Goa every year.

AI based HR-Chatbot

73. During the year, the Company has launched AI based HR-Chatbot, a conversational bot that can respond to employee queries/ questions instantaneously by understanding the context and pulling data from multiple backend sources and the consolidated knowledge base. The employees can now source information regarding their entitlements/benefits seamlessly and can get their queries answered promptly.

Promoting healthcare amongst Employees

74. Renovated medical section has been made available to provide best occupational medical care to employees and dependents, CISF personnel, retired employees & contract workers and all round efforts have been put in to maintain the health of employees. Program on prevention and detection of Tuberculosis at work place has been initiated and tuberculosis eradication programme implemented as per Pradhan Mantri TB Mukt Bharat Abhiyaan. Periodic medical examinations including statutory medical examination and preventive health checkups are undertaken regularly for monitoring the health of workers. Awareness on various health issues, health camps and training on first-aid are provided for the benefit of GSL employees. Facility is being provided to all employees for tertiary care in advanced clinical set up in and outside Goa. In-house employee assistance programme, medical laboratory and polyclinic facility are available for employees and their dependents.

75. Your Company took various holistic measures to mitigate the spread of COVID-19 pandemic and conducted vaccination drives to administer vaccine with emphasis on precautionary dose. In addition, Company has also partnered in various medical CSR initiatives like dental screening and awareness session on oral hygiene for school children within the state of Goa and training of high school teachers of three talukas in senior first aid programme.



Inauguration of Renovated Medical Center on 26 Sep 2022 by Hon'ble Chief Minister of Goa, Dr. Pramod Sawant

Women Empowerment

76. GSL as an employer gives equal opportunities and consciously strives to build a work culture that promotes gender equality at all levels. Women employees constituted 10.81% of the Company's workforce as on 31 Mar 2023. Various guidelines promulgated for women workforce for achieving safer working environment are complied with. GSL has created a women cell, which is a dynamic and responsive platform for women employees, which would nurture growth and development amidst them. GSL has actively supported and nominated the women employees for programmes organized by reputed agencies.

77. Like every year, "International Women's Day" was celebrated on 08 Mar 2023 with great enthusiasm and fervor. Ms Egna Cleetus, IAS, Dy Collector & SDO, Ponda, the Chief Guest addressed the gathering on various aspects like work-life balance, boosting self-esteem & self-belief and gender equality. A session titled "STREE" was also held by Adv. Eeshan Usapkar on various legal rights of women.

Prevention of Sexual Harassment of Women at Workplace

78. The Company is committed to uphold and maintain the dignity of women employees and has a duly constituted Internal Committee in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, for enquiring into complaints of sexual harassment at workplace. The Internal Committee is headed by a senior woman executive and has an external member who is familiar with the issues relating to sexual harassment. During the year, four Internal Committee meetings were conducted, once in each quarter. During FY 2022-23, the Company did not receive any complaint on sexual harassment and there was no complaint pending at the end of the year 2022-23. Hence, NIL disclosure under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Awareness programmes on Gender Sensitization and Prevention of Sexual Harassment of Women at Workplace were organized during FY 2022-23, including a special "Street Play-Nukkad Natak" was conducted on 25 Nov 2022 by GSL in association with Goa Livelihoods Forum in the Yard premises for creating awareness on elimination of all forms of violence and discrimination against women.



"Street Play-Nukkad Natak" performed for Prevention of Sexual Harassment on 25 Nov 2022

OFFICIAL LANGUAGE IMPLEMENTATION

79. Your Company is committed to adhere to the Official Language Policy of the Government of India and instructions issued by the Department of Official Language, Ministry of Home Affairs (MHA) from time to time and made concerted efforts for promotion and implementation of Official Language. The Company has achieved the targets laid down in the Annual Programme regarding use of Hindi in official work and is compliant with online submission of quarterly reports. GSL was awarded second prize by the Town Official Language Implementation Committee (TOLIC), South Goa for the commendable performance amongst Central Govt. Offices in South Goa in the implementation of Official Language Policy. The efforts made towards implementation of Official Language include the following:

(a) Official Language Implementation Committee under the chairmanship of CMD, GSL met regularly to review the progress made in promoting Official Language.

(b) Functional Hindi Workshops were conducted on regular basis. Hindi Parangat Training under Hindi Teaching Scheme were organised for employees in different batches. The Company also provides Hindi Typing training on computer to office assistants under Hindi Typing correspondence course organized by Central Hindi Training Institute, MHA.

(c) Two editions of half yearly in-house Hindi magazine "Goayard Darshan e-Patrika" were released. Website of the Company has been designed in Hindi & English and content is updated periodically.

(d) The Company observed Hindi Pakhwada from 14-29 Sep 2022 and various competitions and functional workshops on Official Language were organised. A large number of employees and their children participated and awards were given to the participants.

(e) With a view to motivate the employees' children in learning Hindi and employees to use Hindi in their office work, various incentive schemes are in vogue. All India level Hindi competitions of Kendriya Hindi Sachiwalaya such as Hindi Noting & Drafting, Hindi Typing and Hindi Essay were conducted at GSL under the auspicious of TOLIC, South Goa.

(f) Hindi Seminar was conducted on the occasion of Vishwa Hindi Diwas on 12 Jan 2023, under the chairmanship of CMD, GSL. Captain Manoj Joshi, Deputy Conservator, Mormugao Port Authority, the keynote speaker of the seminar presented his views on the role of Hindi in the development of various technical fields.



Observation of Hindi Pakhwada from 14-29 Sep 2022

IMPLEMENTATION OF RTI ACT, 2005

80. In consonance with the provisions of the Right to Information Act, 2005 (the RTI Act), your Company has well-defined mechanism in place to address the provisions of the RTI Act and to provide information to the citizens under the said Act. During the year 2022-23, the Company received 66 RTI applications and the information was provided within the statutory time period. 08 RTI applicants preferred appeal before the Appellate Authority under Section 19(1) of the RTI Act and the same were disposed in time bound manner. There were no cases pending as on 31 Mar 2023 before the Central Information Commissioner (CIC) for the RTI applications filed for the year 2022-23. The particulars as prescribed under Section 4 of the RTI Act have been uploaded on the website of the Company. The quarterly returns are being uploaded on the CIC's website on regular basis.

VIGILANCE ACTIVITIES

81. Vigilance Department aims to enhance the ethical standards of the Company through an effective balance of preventive & detective vigilance measures and by way of implementation of systemic improvements. Vigilance Department is headed by full-time Chief Vigilance Officer, Shri Sanjay Krishna Navhale, IOFS (2006). During the year 2022-23, a number of regular inspections, surprise checks and CTE-type inspections were carried out in various areas with the aim of intervening in time to preclude lapses/ violations of instructions and guidelines of Central Vigilance Commission (CVC), if any. The required sensitization program on vigilance matters and formal training on 'Preventive Vigilance' were imparted to nearly 177 participants during FY 2022-23.

82. During FY 2022-23, the Company has implemented five systemic improvements towards simplification of procedures / guidelines w.r.t. procurement, promoting ease of doing business and ensuring more transparency & fairness to all the stakeholders as a part of preventive vigilance activities.

83. As per directives of CVC, "Vigilance Awareness Week 2022" was observed from 31 Oct to 06 Nov 2022 with a theme "Corruption Free India for a Developed Nation" and following activities were conducted during the week:

(a) Various competitions such as essay writing, elocution, poster making & slogan writing were organized for GSL employees, CISF personnel and for school & college students to promote integrity, transparency and accountability in public life as well as to create awareness on corruption and its ill effects;

(b) Vigilance Awareness session for GSL contractual workers and apprentices;

(c) Vendor meet followed by grievance redressal session;

(d) Interactive session on issues related to procurement procedures & guidelines and session on Preventive and General Vigilance Administration for the Company's Executives;

(e) Sensitization programme followed by screening of CVC documentary was conducted for Gram Panchayat, Cumbharjua, Goa, as an outbound activity.



Observance of Vigilance Awareness Week 2022

SWACHH BHARAT ABHIYAN

84. In its pursuit to support Swachh Bharat Mission of Government of India, your Company undertook multiple cleanliness activities during the year. "Swachh Bharat Pakhwada" was observed at GSL from 01-15 Dec 2022 by conducting various activities such as display of posters, banners & signboards in the public places, cleanliness drive, tree plantation drive, cleaning of beaches, children's park, bus stands, schools in the vicinity of Vasco city, fogging /pest control activities in the neighbouring wards of the Company.

VISIT OF PARLIAMENTARY COMMITTEES

85. During FY 2022-23, the following Parliamentary / Standing Committees visited GSL:

Sl. No.	Name of the Committees	Date of Visit
(a)	Parliamentary Standing Committee on Personnel, Public Grievances, Law & Justice for discussion on implementation of Prevention of Corruption Act, 1988 and Effectiveness of Vigilance Administration in the Company.	26 Jun 2022
(b)	Committee on Public Undertakings, Lok Sabha for discussion regarding Human Resource Management in the Company.	19 Sep 2022
(c)	Committee on Welfare of Other Backward Classes	12 Nov 2022
(d)	Sub-Committee of the Committee of Parliament on Official Language	15 Nov 2022
(e)	Standing Committee on Labour, Textile and Skill Development for discussion w.r.t. Implementation of Labour Laws concerning the welfare of contract/casual workers in GSL	16 Nov 2022
(f)	Parliamentary Committee on the Welfare of Scheduled Castes and Scheduled Tribes	11 Jan 2023

86. In addition to above, GSL participated in Study Visit of the Committee on Subordinate Legislation, Rajya Sabha w.r.t. implementation of Companies (CSR) Rules, 2014 held in Mangalore on 14 Sep 2022.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

87. The Management Discussion & Analysis Report as required under the DPE Guidelines on Corporate Governance for CPSEs is placed at **Annexure C** to this Report.

CORPORATE GOVERNANCE

88. In terms of the DPE Guidelines on Corporate Governance for CPSEs, a Report on Corporate Governance along with Certificate on Corporate Governance from the Practicing Company Secretary is attached with this Report as **Annexure D**.

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY

89. Your Company has been consistently contributing towards the goal of achieving sustainable and equitable development in society through capacity building measures, improved quality of life and empowerment of the marginalised & underprivileged sections / communities. The CSR activities of the Company have been undertaken in conformity with the provisions of Section 135 of the Companies Act, 2013, Schedule VII thereto, Companies (Corporate Social Responsibility) Rules, 2014 including re-enactments and amendments thereto and the Guidelines on Corporate Social Responsibility issued by DPE.

90. Your Company has formulated CSR & Sustainability Policy, which can be accessed on Company's website www.goashipyard.in. The details regarding the Committee on Sustainable Development and Corporate Social Responsibility are provided in Corporate Governance Report. The Annual Report on CSR activities carried out during the financial year is placed at **Annexure E** hereto.

91. The brief snapshot of the CSR projects undertaken during FY 2022-23 are as under:-

(a) **Healthcare:** GSL has procured and installed Echocardiography Machine at Goa Medical College (GMC) with a financial implication of Rs 104 lakh and contributed towards strengthening of the medical infrastructure in the State of Goa and outside Goa by providing several medical instruments and equipment to various government hospitals. The Company has also provided nutritional support to TB patients, medical assistance to poor patients at GMC and training for homecare nursing attendants.

(b) **Sanitation**. In line with "Swachh Bharat" campaign of the Government of India, the Company has constructed/renovated toilet blocks and provided sanitary pad vending machines & incinerators at various government schools within the State of Goa. GSL also constructed bunds for providing safe drinking water facility in villages at Ratnagiri District, Maharashtra.

(c) **Education & Skill Development**. Under Prime Minister's vision of Skill India, the Company

has procured the food processing machine and imparted training to women in "Multiproduct Processing Centre" set up by GSL in South Goa with the objective to enhance the income of women belonging to economically weaker section, through sustainable utilization of Non-Timber Forest Produce. GSL has provided vehicle for special children to facilitate in attending school, and also provided lab instruments for Zoology department & upgraded Computer Lab at government colleges. The Company has undertaken Research and Development Project in collaboration with National Maritime Foundation.

WHISTLE BLOWER POLICY

92. The Company has a Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Policy are set out in the Corporate Governance Report placed at **Annexure D** hereto.

COPY OF ANNUAL RETURN

93. In accordance with Section 92(3) of the Companies Act, 2013, the Annual Return of the Company for the year ended 31 Mar 2023 is available in the Company's website at www.goashipyard.in under Annual Reports.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

94. All related party transactions entered during the financial year were in ordinary course of business of the Company and on arm's length basis. There were no materially significant related party transactions entered into by the Company during the year, which may have a potential conflict of interest of the Company. None of the transactions with related parties fall within the scope of Section 188(1) of the Companies Act, 2013, hence, the disclosure of related party transactions in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 is not attached with this Report. However, your Directors draw attention of the members to Note No. 2.48 to the Financial Statements which sets out related party disclosures as per Indian Accounting Standard (Ind AS) 24.

PARTICULARS OF EMPLOYEES

95. In accordance with Ministry of Corporate Affairs Notification No. 463(E) dated 05 Jun 2015, Government Companies are exempted from Section 197 of the Companies Act, 2013 and rules thereof.

BOARD OF DIRECTORS

96. As on 31 Mar 2023, the Board of Directors of the Company consisted of three Whole-Time Directors including Chairman & Managing Director, one Government Nominee Director and two Part-time Non-official (Independent) Directors. For details of Directors and position lying vacant, please refer to **Annexure D**.

Changes in Board of Directors

97. The following changes took place in the Board of Directors and of Key Managerial Personnel (KMP) of your Company during the financial year:

(a) Shri Brajesh Kumar Upadhyay, the then Director (Operations), GSL has been appointed as Chairman & Managing Director of the Company, vide DDP, MoD letter no. 2/1(1)/2020/D(NS) dated 08 Jul 2022 for a period of five years from the date of his assumption of charge of the post i.e. 10 Jul 2022, or until further orders, whichever is earlier. Consequent to which post of Director (Operations) has fallen vacant.

(b) Shri T. Natarajan, Additional Secretary (Defence Production), MoD was appointed as Government Nominee Director on the Company's Board from 23 Dec 2022 vide DDP, MoD letter no. 8(32)/2019-D(Coord/DDP) of even date.

(c) Shri Sunil Shivaling Bagi has been appointed as Director (Finance) of the Company, vide DDP, MoD letter no. 2/1(3)/2019/D(NS) dated 26 Sep 2022 from the date of his assumption of charge of the post i.e. 28 Sep 2022 till the date of his superannuation i.e. 31 Jul 2025 or until further orders, whichever is earlier. He has been appointed as CFO of the Company w.e.f. 01 Aug 2022.

(d) Cmde Bharat Bhushan Nagpal, NM, IN (Retd.) ceased as Chairman & Managing Director w.e.f. 30 Apr 2022 on attaining the age of superannuation.

(e) Shri T. N. Sudhakar ceased as Director (Finance) and Chief Financial Officer (CFO) due to his superannuation on 31 Jul 2022. He was entrusted with additional charge of CMD, GSL from 01 May 2022 to 09 Jul 2022.

(f) Smt Rolley Mahendra Varma, DDG, Indigenization Division, DDP, MoD ceased to be the Government Nominee Director of GSL on 22 Dec 2022.

98. The Board welcomed the appointment of Shri T. Natarajan and Shri Sunil Shivaling Bagi. A brief resume of the newly appointed Directors is placed at **Annexure D** to this Report. The Board placed on record its appreciation for the invaluable support, contribution and guidance provided by Cmde B. B. Nagpal, Shri T. N. Sudhakar and Smt Rolley Mahendra Varma during their respective tenure.

Declaration of Independence and Meeting of Independent Directors

99. Independent Directors of the Company have provided declaration confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and they have registered their names in the Independent Directors' Databank.

100. During FY 2022-23, a separate meeting of Independent Directors was held on 07 Nov 2022, which was attended by both the Part-time Non-official (Independent) Directors, viz. Shri Deepak Manohar Patwardhan and Shri Hasmukh Hindocha.

Meetings of the Board

101. During the year, six meetings of the Board of Directors were held. For further details, please refer to Report on Corporate Governance placed at **Annexure D** to this Report.

Remuneration Policy and Evaluation of Board's Performance

102. In terms of Ministry of Corporate Affairs Notification No. GSR 463(E) dated 05 Jun 2015, Government Companies are not required to frame Policy on directors' appointment and remuneration including criteria for determining qualifications, evaluation etc. under Section 178(3) of the Companies Act, 2013. Your Company being a Government Company under administrative control of MoD, the appointment, tenure and remuneration of Directors of the Company are decided by the Government of India. As per Article 117 and 121 of the Articles of Association of the Company, the President will appoint Directors and determine their remuneration.

103. Part-time Non-official (Independent) Directors are paid sitting fees for attending meetings of the Board of Directors and committees thereof as prescribed by the Board in adherence with the statutory rules and regulations. Government Nominee Director is not paid sitting fees or any other remuneration. Since the Board level appointments are made by the President of India, the evaluation of performance of such appointees is done by the Government of India as per its own evaluation methodology. For further details, please refer to Report on Corporate Governance placed at **Annexure D** to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

104. To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors in terms of Section 134 of the Companies Act, 2013 state that:

(a) in the preparation of the annual accounts for the financial year ended 31 Mar 2023, the applicable accounting standards had been followed along with proper explanations relating to material departures;

(b) they had selected such accounting policies and applied consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year i.e. 31 Mar 2023 and of the profit of the Company for the year ended on 31 Mar 2023;

(c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) they had prepared the annual accounts on a going concern basis;

(e) the Company had put in place adequate internal financial controls with reference to financial statements; and

(f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDIT COMMITTEE

105. The Board has constituted Audit Committee pursuant to the provisions of Section 177 of the Companies Act, 2013 and rules made thereunder. The Committee acts in accordance with the terms of reference as approved by the Board. For details

regarding functioning of Audit Committee during FY 2022-23, please refer Report on Corporate Governance placed at **Annexure D** to this Report.

RISK MANAGEMENT

106. The "Risk Management Policy" has been formulated with intent to enable the Company to adopt a defined process for managing its risks on an ongoing basis and to implement a structured and comprehensive risk management system. The objective of the Policy is to help the management to make informed decision which:

(a) Provide a sound basis for good corporate governance,

(b) Avoid major surprises related to the overall risk and control environment,

(c) Protect and enhance stakeholders' value,

(d) Promote an innovative, risk aware culture in pursuit of opportunities to benefit the Company,

(e) Promote qualitative and consultative risk taking.

107. The Policy provides for risk management governance structure which has been implemented in the Company. Further, the Board reportable risks have been identified and the risk mitigation plans have been formulated under the said Policy. The key risks identified as Board Reportable Risks along with Mitigation Plans are monitored on an ongoing basis. The Risk Management Steering Committee (RMSC) is the apex committee in the Risk Management Governance structure comprising of key decision makers within the organization. RMSC is entrusted with the responsibility of implementing the risk management framework across the organization, monitors the same, apprises the Board of Directors about various risk management initiatives and ensures adequate reporting of the same to various stakeholders on a regular basis.

INTERNAL FINANCIAL CONTROLS

108. Your Company has an Internal Control framework, commensurate with the size, scale and complexity of the Company's operations. The framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from loss, misuse and physical impairment, executing transactions with proper authorisation and ensuring compliance with corporate policies. The Company has laid down procedures and policies to guide the operations of the business along with a comprehensive delegation of power for the smooth functioning and decision making. For more details, kindly refer the Management Discussion & Analysis Report placed at **Annexure C** to this Report.

STATUTORY AUDITORS AND THEIR REPORT

109. Pursuant to Section 139(5) of the Companies Act, 2013, Comptroller and Auditor General of India (C&AG) has appointed M/s. P G Bhagwat LLP, Chartered Accountants, Tilakwadi, Belagavi (Firm Registration No. 101118W/W100682) as Statutory Auditors to audit the Financial Statements of the Company for FY 2022-23.

110. Auditors' Report on the Financial Statements of the Company for FY 2022-23 is appended to this Report. There are no audit qualifications or adverse remarks on the Company's Financial Statements. During the year under review, no fraud has been reported by the Auditors under Section 143(12) of the Companies Act, 2013.

111. The comments of the C&AG under Section 143(6) of the Companies Act, 2013, on the Financial Statements of the Company for FY 2022-23 are placed next to the Statutory Auditors' Report.

COST AUDITORS

112. Pursuant to Section 148(3) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, CMA Savari Muthu I, Cost Accountant, Panaji, Goa (Firm Registration No. 100107) was appointed as Cost Auditor for FY 2022-23 for conducting the audit of cost records maintained by the Company.

SECRETARIAL AUDIT

113. Pursuant to Section 204 of the Companies Act, 2013 (the Act) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s Swapnil J Dixit & Associates, Practicing Company Secretaries, Bicholim, Goa (Registration No. 12942) as Secretarial Auditor to undertake the Secretarial Audit of the Company for FY 2022-23. The Secretarial Audit Report submitted by the Secretarial Auditor is annexed to this Report as **Annexure F** and forms part of this Report.

114. The Secretarial Auditor in their Report observed that there was no Woman Director on the Board of Directors of the Company for the period from 23 Dec 2022 to 31 Mar 2023 and to that extent the composition of the Board of Directors was not in compliance with the provisions of Section 149 of the Companies Act, 2013 & rules made thereunder. Further, the Company has two Independent Directors on its Board, as against sanctioned strength of three Independent Directors and thus the composition of the Board of Directors was not in compliance with the provisions of Clause 3.1 of DPE Guidelines on Corporate Governance.

115. It is submitted that being a Government Company and as per the Articles of Association of the Company, power to appoint Directors (including Government & Independent Directors) and the terms and conditions of such appointment including remuneration and evaluation is vested with the President of India. The Company has taken up the matter regarding filling up of these vacancies with its Administrative Ministry i.e. MoD, which is under consideration.

COMPLIANCE OF SECRETARIAL STANDARDS

116. The Company has complied with the applicable Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

GENERAL

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

    (a) Details relating to deposits covered under Chapter V of the Companies Act, 2013.

    (b) There has been no change in the nature of business of the Company.

    (c) No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

    (d) There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this Report.

ACKNOWLEDGEMENT

118. Your Directors place on record their gratitude and sincere appreciation for the invaluable guidance, cooperation and support received by the Company from Government of India, especially Ministry of Defence, Department of Defence Production, the Integrated Headquarters (Navy)/MoD, Indian Coast Guard organization, Government of Goa, Embassies/Ministry of External Affairs /Missions/ Defence Attaches /Naval Attaches, Flag Officer Goa Area & Naval Aviation and Mormugao Port Authority.

119. The Board is extremely thankful to the Company's valued customers and business associates for their continued patronage. The Board also acknowledge with thanks the support and confidence reposed by shareholders in the Management of the Company.

120. The Directors are also thankful for the valuable advices and cooperation received from the Comptroller and Auditor General of India, the Principal Director of Commercial Audit, Ex-officio Member of the Audit Board, Bengaluru, Controller of Defence Accounts (Navy), Department of Public Enterprises and Standing Conference of Public Enterprises. The Directors gratefully acknowledge the wholehearted support and cooperation extended by the Company's vendors & subcontractors, Classification Authorities, Rating Agencies, Auditors, Bankers, Insurers and the CISF Contingent and look forward to the continuance of this mutually supportive relationship in the future.

121. The Directors sincerely appreciate and acknowledge the committed services and unstinted efforts put in by the Company's employees at all levels for the continued progress and growth of the Company.

For and on behalf of Board of Directors

Sd/-

(Brajesh Kumar Upadhyay)
Chairman & Managing Director
DIN 08852107

Place: Vasco da Gama, Goa
Date: 28 July 2023

VISIT OF PARLIAMENTARY COMMITTEES DURING FY 2022-23



Parliamentary Standing Committee on Personnel, Public Grievances, Law & Justice

Committee on Public Undertakings, Lok Sabha





Parliamentary Committee on Welfare of Other Backward Classes

Sub-Committee of the Committee of Parliament on Official Language





Standing Committee on Labour, Textile and Skill Development

Parliamentary Committee on the Welfare of Scheduled Castes and Scheduled Tribes



NATIONAL RECOGNITION / AWARDS



Governance Now 9th PSU Awards for "HR Excellence"



PSE Excellence Award for "Contribution of Women and Differently Abled in PSEs"



22nd Annual Greentech Environment Award 2022



Special Jury - HR Excellence Award 2022

WOMEN'S DAY CELEBRATION ON 08 MAR 2023



STATEMENT SHOWING THE POSITION REGARDING REPRESENTATION OF SCHEDULED CASTES/ SCHEDULED TRIBES/ OTHER BACKWARD CLASSES/PERSONS WITH BENCHMARK DISABILITIES AND WOMEN EMPLOYEES IN THE VARIOUS CATEGORIES OF POSTS AS ON 01.01.2023 AND 01.01.2022

CLASSIFICATION OF POSTS	AS ON 1ST JANUARY 2023							AS ON 1ST JANUARY 2022						
	TOTAL STRENGTH	NO. OF EMPLOYEES BELONGING TO SCHEDULED CASTES	NO. OF EMPLOYEES BELONGING TO SCHEDULED TRIBES	NO. OF EMPLOYEES BELONGING TO OTHER BACKWARD CLASSES	NO. OF EMPLOYEES BELONGING TO PERSONS WITH BENCHMARK DISABILITIES CATEGORY	WOMEN EMPLOYEES*		TOTAL STRENGTH	NO. OF EMPLOYEES BELONGING TO SCHEDULED CASTES	NO. OF EMPLOYEES BELONGING TO SCHEDULED TRIBES	NO. OF EMPLOYEES BELONGING TO OTHER BACKWARD CLASSES	NO. OF EMPLOYEES BELONGING TO PERSONS WITH BENCHMARK DISABILITIES CATEGORY	WOMEN EMPLOYEES*	
						NO.	%						NO.	%
Permanent														
GROUP 'A'	238$	32	20	57	0	27	11.34%	243$	33	22	58	0	27	11.11%
GROUP 'B'	16	1	2	1	1	3	18.75%	19	1	2	2	0	3	15.79%
GROUP 'C'	860#	40	93	245	12	104	12.09%	865#	39	84	227	12	112	12.95%
GROUP 'D'	174#	13	14	25	8	5	2.87%	189#	14	14	26	8	7	3.70%

* As per directions from Ministry of Defence, Deptt. of Defence Production and Supplies, New Delhi, vide their letter no. 39(6)/99/D(B&C) dated 27.08.1999, to include information on employment of women, based on the recommendations of National Commission for Women.

$ includes Fixed Term Officers.

includes Fixed Term Supervisors & Workmen and ITI Trainees.

STATEMENT SHOWING THE PARTICULARS OF RECRUITMENT MADE DURING THE CALENDAR YEAR 2022, THE NUMBER FILLED BY MEMBERS OF SCs, STs, OBCs, PwBDs AND WOMEN PERSONNEL, REASONS FOR SHORTFALL AND STEPS TAKEN TO IMPROVE THE POSITION

CLASSIFICATION OF POSTS	TOTAL NO. OF VACANCIES FILLED DURING THE YEAR	SCHEDULED CASTES		SCHEDULED TRIBES		OTHER BACKWARD CLASSES		PERSONS WITH BENCHMARK DISABILITIES		WOMEN PERSONNEL RECRUITED*	REASONS FOR SHORTFALL AND STEPS TAKEN TO IMPROVE THE POSITION
		VACANCIES RESERVED	VACANCIES FILLED	VACANCIES RESERVED	VACANCIES FILLED	VACANCIES RESERVED	VACANCIES FILLED	VACANCIES RESERVED	VACANCIES FILLED		
Permanent											
GROUP 'A' (including Fixed Term Officers)	18	1	2#	NIL	NIL	5	6#	NIL	NIL	2	
GROUP 'B'	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
GROUP 'C' (including Fixed Term Employees, ITI and Diploma Trainees)	69	NIL	1#	7	11#	10	14#	3	2	NIL	Unfilled vacancy wherever reflected is due to non-availability of suitable candidate. However efforts are being made to fill up the vacancy by respective category.
GROUP 'D' (including Fixed Term Employees)	NIL	NIL	NIL	NIL	NIL	Nil	Nil	NIL	NIL	NIL	

* As per directions from Ministry of Defence, Deptt. of Defence Production and Supplies, New Delhi, vide their letter no. 39(6)/99/D(B&C) dated 27.08.1999, to include information on employment of women, based on the recommendations of National Commission for Women.

including previous year vacancies.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR FY 2022-23

INDUSTRY SCENARIO AND DEVELOPMENTS

Global Scenario

1. World military expenditure rose by 3.7% in real terms in 2022, to reach a record high of US$ 2240 billion. Global military spending grew by 19% over the decade 2013-22 and has risen every year since 2015. Russia's invasion of Ukraine was a major driver of the growth in spending in 2022.[#] The changing nature of warfare, rising conflicts and the never-ending great-power competition have given rise to complex geometries in global geopolitical positioning. The world's future is filled with eternal uncertainty. With majority of the countries increasing their defence spending over the past decade, the industry witnessed large-scale procurement and development activities. The advances in technology such as quantum computing, artificial intelligence and digital surveillance are rapidly transforming the militaries worldwide and fuelling the expenditure.

   [#]As per report by SIPRI.

2. The growth in global defence spending is driving the warship and naval vessels market. The global warship and naval vessels market size reached US$ 63.7 billion in 2022 expected to reach US$ 90.2 billion by 2028, exhibiting a growth rate (CAGR) of 6.16% during 2023-2028.* As geopolitical tensions and maritime disputes between various countries are increasing, they are striving to enhance their naval capabilities. Several countries are upgrading their existing naval fleets or replacing their aging fleets with newer generation vessels with advanced features to gain a qualitative technological edge over their adversaries. Technological advancements also support the development of newer-generation naval vessels, as each country wants to update its naval combat capabilities.

   **As per report by IMARC.*

Indian Scenario

3. India is one of the strongest military forces in the world. The Indian defence manufacturing industry is a significant sector for the economy and holds a place of strategic importance for the nation. The growth of the industry is likely to accelerate with rising concerns of national security and to meet the emerging threats. Demand for defence equipment in India has been growing due to ongoing territorial disputes with neighbouring countries.

4. Over the last five years, India has been ranked among the top importers of defence equipment to gain technological advantages over rival countries. To modernise its armed forces and reduce dependency over imported defence procurement, several initiatives have been taken by the Government to encourage 'Make in India' activities via policy support initiatives in the past few years and brought in reforms to encourage indigenous design, development and manufacture of defence equipment, thereby promoting self-reliance in defence manufacturing & technology in the country. These initiatives, inter-alia, include according priority to procurement of capital items of Buy Indian (IDDM) category from domestic sources under Defence Acquisition Procedure (DAP)-2020; Notification of four 'Positive Indigenisation Lists' of total 411 items and 4,666 items of Services and Defence Public Sector Undertakings (DPSUs) respectively, for which there would be an embargo on the import beyond the timelines indicated against them; Simplification of industrial licensing process with longer validity period; Liberalization of Foreign Direct Investment (FDI) policy allowing 74% FDI under automatic route; Simplification of Make Procedure; Launch of an indigenization portal namely SRIJAN to facilitate indigenisation by Indian Industry including MSMEs; etc.

5. With focus of the Government on indigenisation and procurement of defence products from the domestic market, the expenditure on defence procurement from foreign sources has reduced from 46% to 36.7% in the last four years i.e. from 2018-19 to 2021-22. The share of domestic procurement in the total procurement has been on an uptrend. Record 75% (approx. Rs one lakh crore) of the defence capital procurement budget has been earmarked for domestic industry in FY 2023-24, up from 68% in 2022-23 and 64% in 2020-21.

6. In the Union Budget 2023-24, capital allocations pertaining to modernization and infrastructure development of the defence services has been increased to Rs 1,62,600 crore representing a rise of Rs 10,230 crore (6.7%) over 2022-23. The capital outlay for the Indian Navy is Rs 52,805 crore, which is an 11% increase from the last year's budget. A major portion of this, Rs 24,200 crore

will be spent to enhance the naval fleet (warships and submarines). This increase is a reflection of the Government's commitment towards sustainable augmentation in the area of modernization and infrastructure development of the defence services.

7. India is poised on a transformational cusp in the maritime domain. The Government has repeatedly emphasised the significance of the defence sector in India's future growth trajectory. Focus on building the capabilities to secure India's maritime interests offers immense opportunities to shipyards to expand their portfolio and harness advanced technologies to provide world-class vessels to the defence forces as a national security imperative.

ORGANISATION STRUCTURE

8. Goa Shipyard Limited (GSL) is a defence public sector undertaking under the administrative control of Ministry of Defence (MoD), Department of Defence Production (DDP) wherein 51.09% shares are held by the President of India and 47.21% by Mazagon Dock Shipbuilders Limited, Mumbai and balance 1.70% by others. GSL, a Miniratna, Category-I, ISO 9001:2015 (QMS), 14001:2015 (EMS) and 45001:2018 (OHSMS) certified company with state-of-the-art shipbuilding infrastructure positioned at Vasco da Gama, Goa is engaged in Shipbuilding, Ship Repair and General Engineering Services for defence and commercial sector. GSL has newly setup a dedicated infrastructure for production of GRP vessels. Separate facilities to support Ship Repair & General Engineering Services activities are also put in place and a liaison office in Karwar, Karnataka has been established to explore ship repair opportunities, as part of diversification.

PRODUCTS AND SERVICES

9. In the recent past, GSL has grown exponentially in diverse fronts offering end-to-end solutions for design, construction and through-life support for defence platforms. It has emerged as a leading shipbuilder in the Indian sub-continent, capable of indigenously designing and building state-of-the-art high technology and sophisticated ships to cater to the maritime security requirements of the country and also for its friendly neighbours. The product range of GSL mainly includes warships for the defence needs such as Frigates, Corvettes, Missile Crafts, Offshore Patrol Vessels, Fast Patrol Vessels, Fast Attack Crafts, Hovercrafts, etc. Support Ships such as Sail Training Ships, Pollution Control Vessels, Cadet Training Ships, Auxiliary Vessels, etc. are also few of the other mainstay products.

10. With intense R&D and public private partnership, the Shipyard has further diversified into design and construction of several platforms associated with maritime industry which includes Glass Reinforced Plastic (GRP) Boats, Tugs, Barges, Floating Docks, LPG Carrier Vessels, etc. With thrust on developing training facilities for the defence forces, various products have been developed and delivered successfully including High Altitude Combat Boat, Nuclear, Biological & Chemical Training Facility, Damage Control Simulator, Survival at Sea Training Facility, Shore Based Test Facility, etc. Also, Stern Gear and Shafting Equipment, critical systems for shipbuilding, are being manufactured and supplied for shipbuilding projects in the country.

11. GSL has developed an autonomous Fast Interceptor Boat (FIB) jointly with BEL & Indian Navy fitted with AI system for operations like way-point navigation and static & dynamic collision avoidance algorithms trained to achieve desired accuracy. The manoeuvrability of the vessel and other systems fitted therein can be controlled remotely. The development of unmanned FIB has expanded the GSL's product profile and opened plethora of opportunities in futuristic technologies.

12. Recently, a dedicated facility has been created for construction of FRP hulled vessels for specialised purposes. Also, dedicated infrastructure facilities to build GRP boats at outlying units of GSL are being utilised for construction of various types of boats.

13. The ship repair capability of GSL includes facilities for repair of large vessels up to 135 mtrs. long, 2000 DWT and 5 mtrs. draught. GSL has also ventured into hardware demands for catering the inland waterways and commercial ship repair activities.

OUTLOOK

14. India is positioned as the third largest military spender in the world, with its defence budget accounting for 2.15% of the country's total GDP. Over the next 5-7 years, the Government of India plans to spend US$ 130 billion for fleet modernisation across all armed services. MoD has set a target of achieving a turnover of INR 1.75 lakh crore in aerospace and defence manufacturing by 2025, which includes exports of INR 35,000 crore. Defence exports reach an all-time high of approx. INR 16,000 crore in FY 2022-23, over 10-times increase since 2016-17 and India is now exporting defence equipment to over 75 countries with collaborative efforts.

15. The Government has identified the Defence and Aerospace sector as a focus area for the 'Aatmanirbhar Bharat' or Self-Reliant India initiative, with a formidable push on the establishment of indigenous manufacturing infrastructure supported by a requisite research and development ecosystem. The total Acceptance of Necessity granted for capital acquisition in FY 2022-23 is over Rs 2.71 lakh crore, out of which 99% of the procurement will be sourced from Indian industries.

16. In order to promote Aatmanirbharta, MoD has notified four Positive Indigenisation Lists comprising of 411 major weapons platforms/systems with an embargo on their import from defined timelines. Further, DDP, MoD has so far notified four Positive Indigenisation Lists in respect of DPSUs, comprising of 4,666 major Line Replacement Units/sub-system/ assemblies /sub-assemblies/components and spares with an embargo on their import from defined timelines. Further, more than 26,000 defence items have been uploaded on SRIJAN Portal and offered to the Industry for indigenisation. So far, 7,031 items have already been indigenised, which cater to the domestic and global markets. Such quantum of indigenous procurement will drive the Indian industries towards achieving the goal of 'Aatmanirbhar Bharat'.

17. Various policy initiatives such as Launch of Mission DefSpace; Launch of Innovations for Defence Excellence (iDEX) scheme by involving Start-ups & MSMEs; Implementation of Public Procurement (Preference to Make in India) Order 2017; Reforms in Offset policy with thrust on attracting investment and Transfer of Technology for defence manufacturing by assigning higher multipliers; and Establishment of two Defence Industrial Corridors, one each in Uttar Pradesh and Tamil Nadu; Earmarking of 25% of R&D Budget for Industry led R&D; Progressive increase in allocation of defence budget of military modernization for procurement from domestic sources, etc. are further promoting indigenisation in defence sector.

18. Government's emphasis on 'Make in India' initiative in the defence sector provides huge opportunities for domestic players to enhance their production capacity and capability. Sizable share in defence budget for augmentation of naval fleet to bridge the critical capability gaps coupled with rising demand of unmanned & autonomous vessels will provide opportunities to meet incessant need to build high-tech platforms for maritime forces. Maritime security threats, territorial disputes and naval modernization initiatives are factors anticipated to augment market growth in coming years.

19. Buoyed by healthy order book, multiple projects under execution, anticipated acceleration in the industry and the government's major push for localisation provide clear visibility of growing revenue in coming years. The Company is in the midst of transition to the league of shipbuilders capable of constructing complex weapon intensive platforms that provides strong structural growth drivers in the ensuing years.

SWOT ANALYSIS

20. In the changing environment, your Company has identified following to be its strengths, weaknesses, opportunities and threats:

Strengths

(a) Decades of expertise in shipbuilding, ship repair and diversified products coupled with advanced facilities which enable the Company to expand its market in India and abroad.

(b) In-house design capabilities, operating on computerized modelling and drafting software, has led to development of designs of Advanced Offshore Patrol Vessel, Fast Patrol Vessel, Survey Vessel, Waterjet Fast Attack Craft, Multipurpose Vessel, Landing Ship Tank, etc. The Company is in the process of developing more sophisticated designs for varied vessels for different applications for which the Company has procured additional FORAN Software.

(c) Ongoing construction of two Frigates will enhance capability and expertise of Shipyard to design and construction of highly complex and advanced weapon intensive platforms.

(d) The Company has Enterprise Resource Planning (ERP) system encompassing different phases of operations. This enables seamless integration of all activities resulting in faster and efficient handling of the entire functions. All workflows from the initiation stage to termination are fully system based.

(e) The Company has a highly skilled work force with ability to absorb and adopt improvements/new technologies. On the job training and special training sessions for acquisition of new skills are imparted to keep the workforce abreast with emerging technologies.

(f) Successful implementation of e-procurement system and incorporation of such other advancements in IT in day-to-day working of the Company as well as in Cyber Security have been achieved to protect the IT Infrastructure.

(g) Possession of new and advance shipbuilding infrastructure supported with modern machineries which enable simultaneous construction and fitting out of hull blocks. Advancement in technology is captured and absorbed simultaneously.

(h) New Shiplift and Transfer System capable of docking / undocking of vessels upto 6000T with two land berths and two covered Ship Assembly Workshop equipped with two cranes of 80T each with tandem operation capable of lifting 160T, showcase the vast expanse of infrastructure of the Yard.

(i) State-of-the-art Steel Preparation Shop and Block Assembly Workshop for achieving the modern-day block construction philosophy.

(j) Newly inaugurated Virtual Reality Centre for creating an immersive virtual reality environment that would be used to visualize the 3D stereoscopic model of warship and use them for design review.

(k) Consistent track record of successful execution and timely delivery.

(l) Quality conscious, ISO 9001:2015, 14001:2015 and 45001:2018 Company.

(m) Cohesive management with better communication network.

(n) Good industrial relations.

(o) Possess sound financials in all parameters.

Weaknesses

(a) Geographical limitation for expansion.

(b) Limited water front and draft.

(c) Dependence on foreign suppliers for sophisticated systems and machineries due to inadequate industrial and local vendor base.

(d) Availability of limited experienced contractors, due to geographical location, to meet the stiff delivery schedules.

Opportunities

(a) Acquisition plan of the Indian Navy and Indian Coast Guard aimed at augmentation of fleet size.

(b) Growing export potential with friendly nations and support by the Government of India for expanding realm of exports through Line of Credit.

(c) Growing defence budget allocation towards modernisation, upgrade programmes and maintenance.

(d) Encouraging demand for OPVs/FPVs/PCVs which are the flagship products of the Company, due to increasing security needs internationally for surveillance, pollution control, training & rescue etc.

(e) Emerging opportunities in the inland waterways and coastal shipping sector in India.

(f) Huge ship-refit opportunities due to high cost of replacement tonnage.

(g) Increasing needs for GRP/FRP boats for patrolling activities by the armed forces / other government agencies.

(h) Increased opportunities due to impetus on self-reliance and Make in India policy of the Government and increased focus to reduce defence imports.

(i) Construction of two technologically advanced Frigates has opened up a plethora of opportunities for venturing into the league of more advanced and sophisticated warship builders.

(j) Potential for upkeep of various vessels built and delivered by the Yard to different customers, under Annual Maintenance Contracts.

(k) Emerging business prospects in commercial shipbuilding segment and growing demand of unmanned & autonomous vessels for patrolling & surveillance purpose.

(l) Ongoing geopolitical situation in IOR may lead to emergency procurements.

Threats

(a) Increased competition in the shipbuilding / refit market.

(b) Rapid advancement in technology in defence.

(c) Stiff price competition in international market that impede export volumes.

(d) Disruption in supply chain due to geopolitical uncertainties in European countries.

21. From the above SWOT analysis, it is evident that huge opportunities are emerging in defence and commercial shipbuilding sector coupled with growing demand for maintenance and repair/refit of vessels. GSL needs to leverage its strength of infrastructure, design and manufacturing facilities & capabilities through strategic alliances to harness these opportunities and minimizing the impact of its weaknesses & threats. The Company's efforts are being focused in exploiting these opportunities by optimising the utilization of its resources and upgrading its technological capabilities.

RISKS AND CONCERNS

22. Risks and concerns are an integral part of any business. Your Company has developed an appropriate risk management framework to monitor, identify, assess and mitigate risks that may potentially impact the Company's performance. The major risks and concerns to the Company are:

(a) Dependence on few customers i.e. maritime defence forces.

(b) Requirement for augmentation of IT infrastructure including Software/ERP system aligning with advancement in technology.

(c) Uncertainties on the part of suppliers and subcontractors affecting the timely delivery of equipment and completion of job works.

(d) Increased competition influencing maintenance of cost competitiveness and sustenance of market share.

(e) Dependence on foreign collaborators for critical data/equipment required for project execution.

(f) Ongoing geopolitical situation in European countries and rising inflation impacting the pricing of several core items and materials, thereby affecting the profit margins.

(g) Under-utilization of specialised infrastructure created for MCMV GRP Vessels at GSL.

MAJOR INITIATIVES UNDERTAKEN AND PLANNED TO ENSURE SUSTAINED PERFORMANCE AND GROWTH

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

A. Production: The Company has introduced following measures, new processes/ technologies which are having positive impact on productivity and throughput of the Company and ensure sustained growth in the coming years:

(a) Procurement and installation of advanced 3-axis automatic CNC pipe bending machines and integration with modelling software for increasing throughput of piping system.

(b) Adopted welding procedures for Russian standard material for ongoing project requirement expanding capability base.

(c) Use of most sophisticated laser equipment for alignment and machining of complex structures as per requirement of main propulsion of ongoing project and achieved high accuracy value of mounting surface within 10% of the tolerance limits.

(d) Ensured completion of GRDD activities (Engineering & piping) of 05 CGOPV Project (Yard 1234, 1235, 1236 & 1237) within 3 weeks post docking. Duration curtailed from 6 weeks to 3 weeks.

(e) Customer Satisfaction scores and feedback for the period 2021-22 was obtained from all GSL customers by a third party firm i.e. IRQS and composite Customer Satisfaction Rating/Index was adjudged accordingly.

B. Infrastructure Modernisation: A major infrastructure modernisation plan at GSL aimed at enhancing the capabilities of the Yard to build larger and complex class of vessels for defence forces, commercial applications and exports was executed in five phases namely Phase 1, 2, 3A, 3B and 4 and the work on all the phases have been completed. Balance work of Phase 3B comprising of Blast & Paint Cells and New Stores have been completed during the year. The modernisation plan includes creation of dedicated facilities for the construction of high technology GRP hull vessels, new steel fabrication facilities for construction of new technology ships and facility for repair & refit of ships. It also includes other facilities such as two land berths, two jetties, 6000 ton shiplift

system, four level luffing cranes, outfitting workshop, ship assembly shop, construction berths, stockyard, GRP MCMV complex, steel preparation shop and block assembly workshop. With the implementation of modernisation plan, the capacity of the Shipyard has been enhanced multifold. Modernisation programme has been executed with a total CAPEX outflow of Rs 1,398 crore, out of which Rs 880 crore is from Government assistance and balance Rs 518 crore from internal resources which is totally expended.

C. Adoption of Industry 4.0 Standard Infrastructure: The Company intends to further augment its infrastructure by way of a CAPEX plan of Rs 200 Crore to be incurred from FY 2023-24 onwards which includes upgradation and augmentation of modern production processes & methods using automation and Artificial Intelligence (AI) & Machine Language (ML) with adoption of Industry 4.0 standards mainly implementation of futuristic ERP, AI based predictive maintenance, material tracking and streamlining via E-Kanban on mobile/tablet devices, RFID, bar code & other IOT technologies and replacing manual bending machines with 3D bending machine & robotic welding.

D. Marketing & Business Development and Export Initiatives: In line with the GoI/ MoD thrust on exports to achieve the targeted USD 5 billion exports by 2025, exports have been a key focus area of your Company and following initiatives have been taken to increase its global footprints by exporting in-house designed products:

(a) The Company is marketing vigorously its various reliable and proven products specially the in-house designed range of Patrol Vessels along with Survey Vessels, Pollution Control Vessels, Training Ships, Landing Craft Utility and the varied range of GRP boats and Training Simulators etc. to various friendly countries. The Company is expanding its capabilities into construction of high value weapon intensive warships (Corvettes, Frigates, etc.). The Company is fully cognizant of the upcoming international and domestic acquisition programmes and is responding aggressively to secure more orders, thereby continues to hold promise of strong growth. Opportunities related to commercial shipbuilding platforms like OSVs, MPVs etc., which have high demand in export markets, are also being perused vigorously.

(b) In order to publicize its expertise and to identify various business opportunities, the Company participated in various Exhibitions viz. 'DEFEXPO-2022' in Gandhinagar, 'INMARCO-2022' in Mumbai, 'AERO-INDIA-2023' in Bangalore and 'AKAM-2022' in Gandhinagar. GSL has signed more than 20 MoUs with reputed industry partners during Bandhan Ceremony of DEFEXPO-2022 and AERO-INDIA-2023.

(c) A dedicated 'Export Promotions & Strategic Projects' group has been set-up to enhance revenue from exports and new technology products through sustained efforts.

(d) The Company held interaction and discussions with potential countries, through Indian Missions abroad for exploring the export opportunities of GSL vessels and deputed its representatives to potential countries to obtain insights on their forthcoming projects. GSL has been tying up with established Indian firms and utilising combined capabilities and synergies for export promotion. GSL is also exploring the possibility of proposing GSL products to defence authorities of potential export countries through MoD via G2G route or under LoC being offered by Indian Government to these countries.





DEFEXPO-2022 in Gandhinagar, Gujarat



AERO-INDIA-2023 in Bangalore

(e) Case for procurement of two projects from the Company i.e. Landing Ship Tank and Training Ship by Nigerian Government, under Line of Credit is under progress. Approvals from the respective Ministries /Governments/ Departments are awaited and the contracts are likely to be concluded soon.

(f) In addition to constructing vessels, concerted efforts are being put in for offering training packages to foreign navies for training of their personnel in ship design, construction, repair and maintenance aspects and such trainings were imparted to Nigerian and Sri Lanka Navy personnel in the past.

(g) GSL signed Technical Agreement with neighbouring country for exploring mutual cooperation on design and construction of vessels, transfer of technology & supply of material package and training.

E. Diversification/Expansion Plans: As a diversification strategy, the Company has been exploring new opportunities for growth, leveraging its strengths & capabilities acquired in the shipbuilding domain and capitalising on the conducive policy environment encouraging indigenous solutions. The Company is expanding its footprints in ship repair segment and also diversifying in the field of autonomous vessels and underwater platforms. Your Company continues to modernise the equipment and infrastructure to keep pace with emerging shipbuilding processes and technologies. GSL is also forging partnerships with other PSUs/industry players for quickly expanding its reach through resource sharing and towards development of composite materials based solutions. GSL has successfully diversified into design and construction of barges, tugs, LPG carrier, river cargo and passenger vessels. The Company has been putting continuous efforts and focus to enter & address several new areas in both defence & non-defence for further expanding its business in new markets for sustainable growth and for optimum utilization of newly created infrastructure.

F. Information Technology (IT) System Initiatives: Your Company has continued to undertake various initiatives on the Information Technology front to facilitate business operations. Some of the major initiatives taken during FY 2022-23 are as under:

(a) Implemented/re-designed various workflow enabled functional processes.

(b) Contract for implementation of new ERP has been awarded and the implementation team held various discussions with ERP Team of GSL for understanding the business processes and implementation. New ERP is expected to be operational from end Mar 2024.

(c) Setup a separate internet LAN to isolate it from ERP LAN network or from independent desktops to secure and control the internet browsing.

(d) Advisories received from CERT-IN, IB(MHA) & CSG-DDP are analysed and compared with the external connectivity on GSL firewall and prompt appropriate actions are taken accordingly.

(e) Online trainings / workshops on Cyber Security and incident handling are being conducted by CSG-DDP, C-DAC (MeitY), CyCord (MHA) on regular basis for Cyber threat & mitigation, blockchain to IT personnel.

(f) As part of Cyber Jaagrukta Diwas (CJD), program on Cyber / Data security are being conducted every month to bring awareness among computer users.

(g) Prepared and filed IPR Document for the unique IT Applications developed in-house in GSL.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

24. The Company has an adequate system of Internal Control implemented towards achieving effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The system comprises well defined organization structures, pre-identified authority levels and procedures issued by the management covering all vital and important areas of activities, viz. Budget, Procurement, Material Control, Works, Finance & Accounts, Human Resources, etc. The Company has in place, various policies and procedures for maintaining adequate and effective internal controls. Functional autonomy is ensured by way of delegation of financial powers of the Board to the CMD/Directors. These powers are further sub-delegated to executives at various levels for smooth and efficient day-to-day functioning.

25. An independent Internal Audit mechanism is in place for conducting extensive audit of various operational & financial matters and for monitoring compliances of Company's procedures and policies with well defined annual audit programme. Internal Audit with regard to three major areas such as Inventory, Transactions and Fixed Assets are outsourced to professional practicing firms. Audit of other activities are carried out by in-house Internal Audit department. The Internal Control Systems are reviewed periodically by the Audit Committee of the Board of Directors. Audit reports are submitted to the Audit Committee, which examines audit observations, provides guidance, suggests corrective measures and issues directives, if required.

26. The adequacy of Internal Control Procedures is reviewed and reported by the Statutory Auditors in their Audit Report. The Company, being a Government Company, is subject to audit by the office of the Comptroller and Auditor General of India. The implementation of ERP System has helped to strengthen the Internal Control Systems with its in-built checks and balances at various levels of operations. During the year, internal financial controls were tested and no reportable material weaknesses in the design or operation were observed.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

27. The Performance Highlights of the Company during the year ended 31 Mar 2023 are as follows:

(₹ in crore)

Particulars	2022-23	2021-22
Value of Production	824.97	703.70
Revenue from Operations	869.43	740.35
Gross Revenue	1,045.80	864.75
Earnings before Interest, Taxes & Depreciation	267.33	195.35
Less: Finance Cost	0.47	0.26
Less: Depreciation	61.85	56.02
Profit before Exceptional Item and Tax	**205.01**	**139.07**
Less: Exceptional Item	-	3.64
Profit before Tax	**205.01**	**135.43**
Less: Tax Expense	50.47	34.34
Profit after Tax	**154.54**	**101.09**
Other Comprehensive Income (net of tax)	(0.06)	(1.47)
Total Comprehensive Income	**154.48**	**99.62**
Net Worth	1,246.43	1,148.40
Inventory	114.28	48.12
Trade Receivables (Net)	168.73	189.53
Earnings Per Share (in Rs)	13.28	8.68
Dividend (%)	108%	87%
Key Financial Ratios:		
Debtors Turnover Ratio	7.33	8.92
Inventory Turnover Ratio	9.53	12.37
Net Profit Ratio	17.78	13.65
Current Ratio	1.18	1.22

SEGMENT-WISE PERFORMANCE

28. In terms of Ministry of Corporate Affairs Notification dated 23 Feb 2018, companies engaged in defence production are exempted from disclosure requirements with regard to the Accounting Standard on segment reporting. Hence, the segment-wise/ product-wise performance is not appended to this Report.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

29. The details regarding Human Resource Development, Industrial Relations and Manpower Strength are more specifically covered in the Directors' Report.

ENVIRONMENTAL PROTECTION AND CONSERVATION

30. Your Company contributes in all aspects for clean and green environment by systematically integrating best practices to bring in cleaner technologies and greening the environment through recycle, reuse and reduce approach. Various environmental protection activities such as water conservation, tree plantation, cleanliness drives, disposal of hazardous waste and metal scrap, e-waste management and use of solar energy have been carried out. Environment Day was celebrated on 05 Jun 2022 by administering environment day pledge followed by tree plantation drive and cleanliness drive to create awareness amongst GSL employees and general public regarding 'Protection of Environment' by avoiding use of plastic and encouraging reforestation.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

31. Relevant Information in this regard is disclosed in the Directors' Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABILITY

32. For details, please refer the Annual Report on CSR activities placed at Annexure-E to the Directors' Report.

Annexure 'D' to Directors' Report

CORPORATE GOVERNANCE REPORT FOR FY 2022-23

The Report on Corporate Governance along with Compliance Certificate from the Practicing Company Secretary, Secretarial Auditor of the Company, as per the Guidelines on Corporate Governance for CPSEs 2010 issued by the Department of Public Enterprises, Govt. of India (DPE Guidelines), vide DPE's OM No.18(8)/2005-GM dated 14 May 2010, is given below:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

1. It is the constant endeavour of your Company to maintain the highest standards of ethics in all spheres of business activities. Your Company's philosophy on Corporate Governance is based on the principles of honesty, integrity, accountability, adequate disclosures and legal compliances. It strives for transparency in decision making and to avoid conflict of interest. It also accords due importance to adherence to the adopted corporate values and objectives and discharging social responsibilities as a corporate citizen. The Company believes in customer satisfaction, financial prudence and commitment to values.

2. Keeping up its professional approach, your Company is implementing the precepts of Corporate Governance in letter and spirit. The Company has set itself a new mission with the objective of expanding its capacities and capabilities for becoming globally competitive in its business. The Company expects to realize its vision by achieving its goals of value creation, safety, environment and people. The Company has been rated 'Excellent' in Corporate Governance practices as per the evaluation criteria prescribed by the DPE consistently for the last several years.

BOARD OF DIRECTORS

3. The Board of Directors of the Company plays a pivotal role in ensuring good Corporate Governance. The Board of Directors of the Company, headed by Chairman & Managing Director, ensures that the Company has clear goals aligned with stakeholder's interest and its growth. The Board oversees the overall functioning of the Company and gives strategic directions and look after interests of the Company and society at large.

Composition of Board of Directors

4. Goa Shipyard Limited (GSL) is a Government Company under the administrative control of the Ministry of Defence (MoD). The composition of the Board of the Company is governed by the provisions of the Companies Act, 2013 (the Act) and DPE Guidelines. Being a Government Company and as per the Articles of Association of the Company, the power to appoint Directors vests with the President of India.

5. The Board of Directors of the Company comprises of Directors with diverse experience, qualifications, skills etc. which are aligned with the Company's business, overall strategy, corporate ethics, values and culture. As on 31 Mar 2023, the Board of Directors of the Company consisted of three Whole-Time Directors including Chairman & Managing Director, one Government Nominee Director and two Part-time Non-official (Independent) Directors.

6. Details of the members of the Board as on 31 Mar 2023 are given below:

Sl. No.	Name of Director & Designation	Director Identification Number (DIN)	No. of other director ships held	No. of committee membership in other companies	
				As Chairman	As Member
Whole-time Director:					
1.	Shri Brajesh Kumar Upadhyay, CMD & Addl. Charge - Director (Operations)* *(Appointed w.e.f. 10.07.2022)*	08852107	Nil	Nil	Nil
2.	Capt. Jagmohan, IN (Retd.), Director (Corporate Planning, Projects & Business Development)	08630668	Nil	Nil	Nil
3.	Shri Sunil Shivaling Bagi, Director (Finance) *(Appointed w.e.f. 28.09.2022)*	09750279	Nil	Nil	Nil
Government Nominee Director:					
4.	Shri T. Natarajan, Addl. Secretary (Defence Production), MoD *(Appointed w.e.f. 23.12.2022)*	00396367	02#	Nil	Nil
Part-time Non-official (Independent) Director:					
5.	Shri Deepak Manohar Patwardhan	09450572	Nil	Nil	Nil
6.	Shri Hasmukh Hindocha	09453805	Nil$	Nil	Nil

* Shri Brajesh Kumar Upadhyay was appointed as CMD, GSL w.e.f. 10 Jul 2022 and consequently he had ceased as Director (Operations) to assume charge of the post of CMD. He was holding Addl. Charge - Director (Finance) from 01 Aug 2022 till 27 Sep 2022 and Addl. Charge - Director (Operations) from 10 Jul 2022 to 09 Apr 2023.

Government Nominee Director of Hindustan Aeronautics Limited and Bharat Electronics Limited, both are listed companies.

$ Additional (Independent) Director of Madhusudan Masala Limited w.e.f. 29 Apr 2023.

Note: During FY 2022-23:

a. Smt Nazli Jafri Shayin ceased as Govt. Nominee Director w.e.f. 13 Apr 2022.

b. Cmde B. B. Nagpal, NM, IN (Retd.) superannuated as CMD on 30 Apr 2022.

c. Shri T. N. Sudhakar superannuated as Director (Finance) on 31 Jul 2022.

d. Smt Rolley Mahendra Varma ceased as Govt. Nominee Director w.e.f. 23 Dec 2022.

7. As on 31 Mar 2023, post of Director (Operations) and one position of Independent Director (including woman director) are lying vacant. Being a Government Company and as per the Articles of Association of the Company, power to appoint Directors is vested with the President of India. Accordingly, the Company has taken up the matter of filling up of these vacancies with the Administrative Ministry i.e. MoD.

Brief resume of newly appointed Directors

8. **Shri T. Natarajan** appointed as Government Nominee Director, GSL with effect from 23 Dec 2022. He has completed his graduation in Mining Engineering from College of Engineering, Guindy, Anna University and M.B.A. in Finance from Bharathidasan Institute of Management, Bharathidasan University. He is a 1996 batch Indian Administrative Officer from Gujarat Cadre. Shri Natarajan held various administrative posts in the Government of India related to Economic Affairs, Finance, Revenue, HRD, etc. and also served as director in many listed and unlisted companies. He is presently holding the post of Additional Secretary (Defence Production) in Department of Defence Production, Ministry of Defence, Govt. of India. He is also a Government Nominee Director of Hindustan Aeronautics Limited and Bharat Electronics Limited.

9. **Shri Sunil Shivaling Bagi** assumed the charge as Director (Finance), GSL w.e.f. 28 Sep 2022. A Finance professional, Shri Bagi carries with him more than 30 years of diverse experience at different levels. He is a Post Graduate in Commerce and a qualified Cost Accountant & Company Secretary. He joined GSL in 1992 as Accounts Officer and has reached to this coveted post with his dedication and hard work. At GSL, while heading the finance functions as Chief General Manager (Finance), Shri Bagi has significantly contributed in developing financial strategies and policies for budgeting, pricing, cost control and profit planning for achieving the overall goals of the Company. He has played a pivotal role in exploring and evaluating new business opportunities and business development of the Company. He is instrumental in Capability Augmentation cum Modernization Program of Rs 1,398 Cr executed at GSL.

Directors' Shareholding

10. None of the Directors except the following hold any shares in the Company as on 31 Mar 2023:

Name of the Director	No of Shares held of Rs 5/- each
Shri Brajesh Kumar Upadhyay, CMD	16
Shri Sunil Shivaling Bagi, Director (Finance)	16

Meetings of Board and Attendance

11. The Board of Directors meets at regular intervals to review the Company's operational & financial performance, order book status, formulate strategies for business development, ensure regulatory compliances, approve financial results & budgets and formulate / review internal policies and systems. During FY 2022-23, **six** meetings of the Board of Directors were held viz. on 26 Apr 2022, 28 May 2022, 29 Jul 2022, 29 Sep 2022, 07 Nov 2022 and 27 Jan 2023. The intervening gap between any two Meetings was within the limit prescribed by the Act and DPE Guidelines. Details of attendance of the Directors at the Board meetings and Annual General Meeting held during FY 2022-23 are furnished below:

Sl. No.	Name of Director	Board Meetings during respective tenure		Attendance at the last AGM held on 29.09.2022
		Held	Attended	
1.	Shri Brajesh Kumar Upadhyay, CMD *(appointed w.e.f. 10.07.2022)*	4	4	Yes
	(ceased as Director (Operations) on 09.07.2022)	2	2	-
2.	Shri T. Natarajan, Govt. Nominee Director *(appointed w.e.f. 23.12.2022)*	1	1	NA
3.	Shri Deepak Manohar Patwardhan, Independent Director	6	6	Yes
4.	Shri Hasmukh Hindocha, Independent Director	6	6	Yes
5.	Capt. Jagmohan, IN (Retd.) Director (CPP&BD)	6	6	Yes
6.	Shri Sunil S. Bagi, Director (Finance) *(appointed w.e.f. 28.09.2022)*	3	3	Yes
7.	Cmde B. B. Nagpal, IN (Retd.) *(superannuated as CMD on 30.04.2022)*	1	1	NA
8.	Shri T. N. Sudhakar* *(superannuated as Director (Finance) on 31.07.2022)*	3	3	NA
9.	Smt Rolley Mahendra Varma# *(ceased as Govt. Nominee Director on 23.12.2022)*	5	5	Yes

* Shri T. N. Sudhakar was holding the Additional Charge - CMD from 01 May 2022 till 09 Jul 2022.
# Smt Rolley Mahendra Varma was appointed as Govt. Nominee Director w.e.f. 13 Apr 2022 in place of Smt Nazli Jafri Shayin.

12. Meetings are governed by a structured agenda. Agenda papers along with supporting documents are circulated well in advance to the Board members to enable them to take informed decisions. The Board members, in consultation with the Chairman bring up any important issue for consideration of the Board. If necessary, senior management is also called to provide additional inputs to the items being discussed at the Board/Committee meetings. Further, presentations are made during the course of discussion wherever required for the information of the Directors. The Directors are provided with video-conferencing facility to enable them to attend/participate in Board/Committee meetings. In case of exigencies, the meeting(s) is / are convened at shorter notice as provided under the Act.

COMMITTEES OF THE BOARD

13. The Board of Directors has constituted various Committees to assist in the management of day-to-day affairs of the Company and to facilitate smooth and efficient flow of decision-making process. The terms of reference of the Board Committees are determined by the Board from time to time. The meetings of Board Committees are held either periodically or on need basis. Minutes of Committee meetings are placed before the Board in its subsequent meetings for information.

14. Details of the Committees of the Board are provided herein below:-

AUDIT COMMITTEE

Terms of Reference

15. The terms of reference for the Audit Committee has been approved by the Board considering the requirements under the Act and DPE Guidelines and it inter alia, includes the following:-

(a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

(b) Appointment and removal of external firms of Chartered Accountants for Internal Audit, Tax Auditors and fixation of audit fees and also approval for payment for any other services.

(c) Approval of payment to Statutory Auditors for any other services rendered by them.

(d) Reviewing, with the management, the periodical/annual financial statements before submission to the Board for approval.

(e) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Section 134(5) of the Companies Act, 2013.

(f) Compliance with legal requirements relating to financial statements.

(g) Reviewing, with the management, performance of internal auditors and adequacy of the internal control systems, internal audit functions, including the structure & staffing of the internal audit department, coverage and frequency of internal audit.

(h) Discussion with internal auditors and/or auditors any significant findings and follow up thereon.

(i) Reviewing the Company's financial policies, commercial policies and risk management policies.

(j) To review the functioning of the Whistle Blower Mechanism and to oversee the vigil mechanism in the Company.

(k) Review and monitor the auditor's independence and performance, and effectiveness of audit process.

(l) Reviewing management discussion and analysis of financial condition and results of operations.

(m) Recommendation for appointment, remuneration and terms of appointment of the auditors of the Company.

(n) Approval or any subsequent modification of transactions of the Company with related parties.

(o) To review the follow-up action on the audit observations of the C&AG audit.

(p) Evaluation of internal financial controls and risk management systems.

Composition of the Committee and details of Meetings & Attendance

16. During FY 2022-23, **six** meetings of the Audit Committee were held viz. on 25 Apr 2022, 28 May 2022, 29 Jul 2022, 29 Sep 2022, 07 Nov 2022 and 27 Jan 2023. The composition of the Audit Committee, including changes, if any, during the year and attendance of the members at the aforesaid Committee meetings are as under:

Sl. No.	Name of Member	Category	Position	Meetings during respective tenure	
				Held	Attended
1.	Shri Deepak Manohar Patwardhan	Independent Director	Chairman	06	06
2.	Shri Hasmukh Hindocha	Independent Director	Member	06	06
3.	Capt. Jagmohan, IN (Retd.)	Director (CPP&BD)	Member	06	06

17. Director (Finance), HoD (Finance) and Internal Auditor of the Company regularly attend the meetings of the Audit Committee as Invitees. Statutory Auditors are also invited to attend the meeting(s) of the Audit Committee as and when required with regard to review/audit of the Financial Statements and other related matters. The Company Secretary acts as Secretary to the Audit Committee.

18. The Chairman of the Audit Committee apprises the Board about the observations of the Audit Committee during the Board meetings. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

NOMINATION & REMUNERATION CUM HUMAN RESOURCE COMMITTEE (N&RHR COMMITTEE)

Terms of Reference

19. N&RHR Committee functions in accordance with the Charter for the said Committee as approved by the Board, which inter alia, includes the following:-

    (a) To decide matters related to modification/revision/introduction of changes in Performance Management System.

    (b) To decide for payment of Variable Pay/Performance Related Pay within the prescribed limit for each financial year.

    (c) To examine all the HR matters related with the rules and regulations of the Company and approve the proposal or recommend the same to the Board as per financial implication involved.

Composition of the Committee and details of Meetings & Attendance

20. During FY 2022-23, **three** meetings of the N&RHR Committee were held viz. on 25 Apr 2022, 28 May 2022 and 07 Nov 2022. The N&RHR Committee was last re-constituted w.e.f. 28 Jan 2023. The composition of the N&RHR Committee including changes, if any, during the year and attendance of the members at the aforesaid Committee meetings are as under:

Sl. No.	Name of Member	Category	Position	Meetings during respective tenure	
				Held	Attended
1.	Shri Hasmukh Hindocha	Independent Director	Chairman	03	03
2.	Shri Deepak Manohar Patwardhan	Independent Director	Member	03	03
3.	Shri T. Natarajan	Govt. Nominee Director	Member (from 28.01.2023)	NA	NA
4.	Shri Sunil S. Bagi	Director (Finance)	Member (from 28.01.2023)	NA	NA
5.	Shri T. N. Sudhakar	Director (Finance)	Member (upto 31.07.2022)	02	02
6.	Smt Rolley Mahendra Varma	Govt. Nominee Director	Member (upto 22.12.2022)	02	02

21. Director (Operations) and Director (CPP&BD) are the Permanent Special Invitees to the N&RHR Committee.

Appointment and Remuneration of Directors

22. GSL being a Central Government Public Sector Enterprise, the appointment of Chairman & Managing Director and Functional Directors of the Company is made by the Government of India, indicating the tenure, remuneration and other terms & conditions of appointment. As per the Articles of Association of the Company, the Directors of your Company are paid such remuneration as the President of India, may determine, from time to time. The pay and allowances of Board level executives are paid in accordance with the terms of appointment & Department of Public Enterprises Guidelines on the above subject; and other benefits and perquisites in accordance with the rules of the Company. Details of remuneration paid to CMD and Functional Directors for the year ended 31 Mar 2023, are given below:

(₹ in lakh)

Sl. No.	Name of Director	Salary	Perquisites as per IT Rules	Contribution to PF	Total
1.	Shri Brajesh Kumar Upadhyay, CMD (from 10.07.2022)	27.51	0.74	2.54	30.79
2.	Capt. Jagmohan, IN (Retd.), Director (CPP&BD)	57.06	0	4.35	61.41
3.	Shri Sunil S. Bagi, Director (Finance) (from 28.09.2022)	22.79	1.71	1.82	26.32
4.	Cmde B. B. Nagpal, IN (Retd.), (as CMD upto 30.04.2022)	24.03*	0.34	0.37	24.74
5.	Shri Brajesh Kumar Upadhyay, [as Director (Operations) upto 09.07.2022]	23.41	0	0.88	24.29
6.	Shri T.N. Sudhakar, [as Director (Finance) upto 31.07.2022]	33.78*	0	1.23	35.01

**Includes terminal benefits.*

23. Govt. Nominee Director is appointed by the President of India and he/she is not paid any remuneration or sitting fees.

24. Part-time Non-official (Independent) Directors are appointed by the President of India generally for a period of three years. They are not paid any remuneration except the sitting fees for attending meetings of the Board of Directors and Committees thereof. The sitting fees of (i) Rs 20,000/- per meeting of the Board and (ii) Rs 10,000/- per meeting of the Committee/s of the Board are paid to Independent Director, as approved by the Board within the ceiling fixed under the Act and as per the guidelines issued by the Government of India. The sitting fees paid to the Independent Directors during FY 2022-23 are as follows:

(₹ in lakh)

Sl. No.	Name of the Part-time Non-official (Independent) Director	Sitting Fees
1.	Shri Deepak Manohar Patwardhan	3.40
2.	Shri Hasmukh Hindocha	2.70
	Total	**6.10**

25. The Company does not pay any commission to its Directors nor issued any stock options to its Directors. Further, there has been no other pecuniary relationship or transactions of the Part-Time Directors vis-à-vis the Company during the year under review.

Evaluation Criteria

26. Since the Board level appointments are made by the President of India, evaluation of performance of Directors is also done by the Government of India.

COMMITTEE ON SUSTAINABLE DEVELOPMENT AND CORPORATE SOCIAL RESPONSIBILITY (SD & CSR COMMITTEE)

Terms of Reference

27. SD & CSR Committee has been constituted by the Board of Directors to undertake various projects under Corporate Social Responsibility in terms of provisions of the Act and the DPE guidelines. The terms of reference of the SD & CSR Committee, inter alia, includes the following:-

    (a) The Committee monitors the implementation of CSR & Sustainability Policy and to assist the Board of Directors to formulate suitable policies & strategies to take the CSR & Sustainability Agenda of the Company forward.

    (b) To recommend the amount of expenditure to be incurred on the activities referred under Schedule VII of the Companies Act, 2013; and

    (c) Formulate and recommend to the Board, an Annual Action Plan in pursuance of CSR Policy.

Composition of the Committee and details of Meetings & Attendance

28. During FY 2022-23, **four** meetings of the SD & CSR Committee were held viz. on 25 Apr 2022, 28 May 2022, 29 Jul 2022 and 29 Sep 2022. The composition of the said Committee including changes, if any, during the year and attendance of the members at the aforesaid Committee meetings are as under:

Sl. No.	Name of Member	Category	Position	Meetings during respective tenure	
				Held	Attended
1.	Shri Hasmukh Hindocha	Independent Director	Chairman	04	04
2.	Shri Deepak Manohar Patwardhan	Independent Director	Member	04	04
3.	Capt. Jagmohan, IN (Retd.)	Director (CPP&BD)	Member	04	04
4.	Shri Sunil S. Bagi	Director (Finance)	Member (from 28.09.2022)	01	01
5.	Shri Brajesh Kumar Upadhyay*	CMD as Addl Charge, Director (Operations)	Member	02	02
		Director (Operations)		02	02
6.	Shri T.N. Sudhakar	Director (Finance)	Member (upto 31.07.2022)	03	03

* *Shri Brajesh Kumar Upadhyay was member of the Committee as Director (Operations) upto 09.07.2022 and thereafter attended the meetings as Addl. Charge-Director (Operations).*

29. The Annual Report on CSR activities carried out during the financial year is placed at Annexure E.

PROCUREMENT SUB-COMMITTEE (PSC) OF DIRECTORS

30. PSC of Directors approves the proposals for placement of orders for procurement of materials/availing services, which are beyond specified value fixed as per the powers delegated by the Board.

31. During FY 2022-23, **seven** meetings of the PSC of Directors were held viz. on 28 May 2022, 12 Jul 2022, 08 Sep 2022, 28 Oct 2022, 07 Nov 2022, 27 Jan 2023 and 18 Feb 2023. The composition of the PSC including changes, if any, during the year and attendance of the members at the aforesaid Committee meetings are as under:

Sl. No.	Name of Member	Category	Position	Meetings during respective tenure	
				Held	Attended
1.	Shri Brajesh Kumar Upadhyay*	CMD	Chairman	06	06
		Director (Operations)	Member	01	01
2.	Shri Deepak Manohar Patwardhan	Independent Director	Member	07	07
3.	Capt. Jagmohan, IN (Retd.)	Director (CPP&BD)	Member	07	07
4.	Shri Sunil S. Bagi	Director (Finance)	Member (from 28.09.2022)	04	04
5.	Shri T. N. Sudhakar#	Director (Finance)	Member (upto 31.07.2022)	02	02
6.	Cmde B. B. Nagpal, IN (Retd.)	CMD	Chairman (upto 30.04.2022)	NA	NA

* *Shri Brajesh Kumar Upadhyay was member of the Committee as Director (Operations) upto 09.07.2022 and thereafter Chairman of the Committee as CMD from 10.07.2022.*

\# *Shri T. N. Sudhakar was the Chairman of the Committee from 01.05.2022 till 09.07.2022 in his capacity as Additional Charge-CMD.*

PROJECT REVIEW SUB COMMITTEE (PRSC)

32. PRSC of Directors has been constituted as per the directions of the MoD. The assignment of functions to the PRSC includes the following:-

(a) Detailed review of technical and financial progress achieved with reference to the milestones fixed and scope and specifications prescribed.

(b) Reviewing of adherence to the contractual provisions and approved Procurement Policy of the Company in all major cases of procurement.

(c) Identifying deficiencies in the existing systems and processes and making suggestions for improvement.

33. During FY 2022-23, **one** meeting of the PRSC was held on 27 Jan 2023. The composition of the PRSC including changes, if any, during the year and attendance of the members at the aforesaid Committee meeting are as under:

Sl. No.	Name of Member	Category	Position	Meetings during respective tenure	
				Held	Attended
1.	Shri Deepak Manohar Patwardhan	Independent Director	Chairman	01	01
2.	Shri Hasmukh Hindocha	Independent Director	Member	01	01
3.	Capt. Jagmohan, IN (Retd.)	Director (CPP&BD)	Member	01	01
4.	Shri Sunil S. Bagi	Director (Finance)	Member (from 28.09.2022)	01	01
5.	Shri T. N. Sudhakar	Director (Finance)	Member (upto 31.07.2022)	NA	NA

SHARE TRANSFER COMMITTEE (STC)

34. During FY 2022-23, **two** meetings of the STC were held viz. on 07 Nov 2022 and 06 Feb 2023. The composition of the STC including changes, if any, during the year and attendance of the members at the aforesaid Committee meetings are as under:

Sl. No.	Name of Member	Category	Position	Meetings during respective tenure	
				Held	Attended
1.	Shri Brajesh Kumar Upadhyay	CMD	Chairman (from 10.07.2022)	02	02
2.	Capt. Jagmohan, IN (Retd.)	Director (CPP&BD)	Member	02	02
3.	Shri Sunil S. Bagi	Director (Finance)	Member (from 28.09.2022)	02	02
4.	Shri T. N. Sudhakar	Director (Finance)	Member (upto 31.07.2022)	NA	NA
5.	Cmde B. B. Nagpal, IN (Retd.)	CMD	Chairman (upto 30.04.2022)	NA	NA

35. The Company Secretary is the Secretary to the said Committee.

36. The terms of reference of STC are as follows:

(a) To approve and register transfer/transmission of shares having face value of more than Rs 2,00,000 in each Share Transfer/Transmission Form,

(b) To approve splitting/consolidation and issue of share certificates thereof,

(c) To approve issue of duplicate share certificates,

(d) To approve change/deletion/transposition of names of shareholders in the share certificates and records of the Company,

(e) To authorize affixation of Common Seal of the Company on the share certificates to be issued for the aforesaid purposes.

INVESTMENT COMMITTEE

37. As on 31 Mar 2023, the composition of the Investment Committee of Directors constituted by the Board is as follows:

1. Chairman & Managing Director
2. Director (Finance)
3. Director (Operations)
4. Director (CPP&BD)

38. The Investment Committee is empowered, inter alia, (i) to make investment of short term surplus funds of the Company as per DPE guidelines and Board directives, (ii) to avail funded and non-funded facilities from the bankers, (iii) short term loans from nationalized/private sector banks as a clean overdraft against demand promissory note depending upon day-to-day operational needs of the Company and (iv) to avail the facility of overdraft from nationalized and private sector banks for day-to-day requirement. The Investment Committee accords approval as required for investment of surplus funds and availing funding arrangements as and when such actions are necessitated in the course of day-to-day business affairs of the Company upto the ceiling limits approved by the Board.

MEETINGS OF INDEPENDENT DIRECTORS

39. According to Schedule IV to the Companies Act, 2013 a separate meeting of the Independent Directors of the Company was held on 07 Nov 2022, which was attended by both the Independent Directors.

GENERAL BODY MEETINGS

40. Details of the Annual General Meeting (AGM) held during the last three years are as follows:

Year	Venue	Date and Time
2019-20	*Deemed Venue*: Registered Office of the Company, Vaddem, Vasco-da-Gama, Goa.	30 Sep 2020 at 1600 hours through Video Conferencing
2020-21	*Deemed Venue*: Registered Office of the Company, Vaddem, Vasco-da-Gama, Goa.	29 Sep 2021 at 1600 hours through Video Conferencing
2021-22	*Deemed Venue*: Registered Office of the Company, Vaddem, Vasco-da-Gama, Goa.	29 Sep 2022 at 1530 hours through Video Conferencing

41. All the resolutions set out in the respective notice of last three AGMs were passed by the shareholders. A Special Resolution was passed by the shareholders of the Company at 56th AGM held on 29 Sep 2022 for increasing the borrowing powers (non-fund based facility) of the Company in accordance with the provisions of Section 180(1)(c) of the Companies Act, 2013. No resolutions were put through postal ballot.

TRAINING OF BOARD MEMBERS

42. The Board has adopted a policy for training of Board members. As per the terms of the said policy, the Board members including Independent Directors are provided with the familiarization program at the time of their induction to the Board to make them conversant with the business model, current operations, corporate plan and future outlook of the Company. Directors are regularly encouraged and sponsored for attending important training/orientation programs relating to Board related practices, Corporate Governance, etc. conducted by various institutes of repute. During FY 2022-23, the following offline and online Programs were attended by the Directors of the Company:

    (a) Capt. Jagmohan, Director (CPP&BD) attended 03-days non-residential Orientation Program titled as 'Master Class for Director' Leading to Certified Corporate Directorship from 15-17 Jul 2022 at Institute of Directors, Hyderabad and a Virtual Workshop on Environmental Social Governance for PSEs on 28 Oct 2022 organized by CII, New Delhi; and

    (b) Shri Deepak Manohar Patwardhan and Shri Hasmukh Hindocha, the Independent Directors attended 02-days Orientation Program for Independent Directors on 13-14 Jul 2022 organized by DPE, New Delhi.

CODE OF BUSINESS CONDUCT AND ETHICS

43. The Board of Directors of your Company has formulated a "Code of Business Conduct and Ethics for Board Members and Senior Management" as per DPE Guidelines. A copy of the same has been circulated to all concerned and posted on the Company's website www.goashipyard.in. All Board members and Senior Management personnel to whom the said Code is applicable have affirmed the compliance with the Code for the year ended 31 Mar 2023. A declaration to this effect by the Chairman & Managing Director is appended to this Report.

DISCLOSURES

44. (a) There were no cases of related party transactions that may have potential conflict with the interests of the Company at large. Transactions with related parties that were entered into during the financial year were in the ordinary course of business.

    (b) The Company has complied with the requirements of the Companies Act, 2013 and DPE Guidelines on Corporate Governance except for the following:

        (i) The Company did not have woman director from 23 Dec 2022 to 31 Mar 2023 as required under Section 149 of the Companies Act, 2013.

(ii) The Company did not have requisite number of Functional Director from 10 Jul 2022 to 31 Mar 2023 and Independent Director from 01 Apr 2022 to 31 Mar 2023 and therefore the Board composition was not in line with the requirements of Clause 3.1 of DPE Guidelines on Corporate Governance.

No penalties/strictures were imposed on the Company by any Statutory Authority on any matter related to violation of any provisions of the Act/guidelines issued by Government, during the last three years.

(c) It is affirmed that no personnel have been denied access to the Audit Committee.

(d) The Company has complied with Presidential Directives issued by the Central Government during the year and also in the last three years.

(e) There were no items of expenditure debited in books of accounts, which are not for the purposes of the business.

(f) No expenses were incurred by the Company which are personal in nature and incurred for the Board of Directors and Top Management.

(g) During FY 2022-23, percentage of Other Expenses and Financial Expense to total Expenses is 8.57% and 0.06% respectively, due to increase in ship repairs, hull construction and modernization activities.

WHISTLE BLOWER POLICY

45. The Company has implemented Whistle Blower Policy in line with DPE Guidelines. The Company has promulgated "Whistle Blower Policy" to establish a mechanism which facilitates its employees to report to the Management on any unethical behaviour, actual or suspected fraud or violation of the Company's Guidelines on Conduct or Ethics. The employees are encouraged to use the whistle blowing mechanism and raise their concerns to the Management and have been given access to the Chairman of the Audit Committee. Whistle blowers are afforded protection against harassment and not subjected to any discriminatory practices. The Whistle Blower Policy is posted on the Company's website www.goashipyard.in. The Company has also a Fraud Prevention Policy in place.

AUDIT QUALIFICATIONS

46. There were no audit qualifications on the Company's Financial Statements for FY 2022-23.

RISK MANAGEMENT

47. The Company has well-articulated "Risk Management Policy" in place. This policy is intended to ensure that an effective risk management framework is established and an appropriate reporting mechanism for the same is embedded within the Company. Details on Risk Management are placed in the Directors' Report.

SHAREHOLDING PATTERN

48. The shareholding pattern as on 31 Mar 2023 is given below:

Sl. No.	Category of Shareholder	No. of Shares held	Amount of Shares held (Rs.)	% of Shares held to Total Paid up Capital
1.	**Government**			
	President of India	5,94,66,780	29,73,33,900	51.09%
2.	**Govt. Company**			
	Mazagon Dock Shipbuilders Limited	5,49,57,600	27,47,88,000	47.21%
3.	**General Public and Others**	19,79,368	98,96,840	01.70%
	TOTAL	**11,64,03,748**	**58,20,18,740**	**100.00%**

DEMATERIALISATION OF SHARES AND SHARE TRANSFER SYSTEM

49. The Equity Shares of the Company are admitted in the depository system of NSDL and CDSL for dematerialisation. As on 31 Mar 2023, 6,08,02,604 equity shares of the Company representing 52.23% of the issued, subscribed and paid-up equity share capital of the Company has been dematerialized. The Company has appointed Purva Sharegistry (India) Pvt. Ltd., a SEBI Registered Category I Share Transfer Agent as the Company's Registrar and Share Transfer Agent (RTA). The contact details of RTA are as under:-

    Purva Sharegistry (India) Pvt. Ltd.
    Unit No. 9, Shiv Shakti Ind. Estt.,
    J R Boricha Marg, Lower Parel East,
    Mumbai - 400 011
    Email id: support@purvashare.com
    Tel: 022 3199 8810 / 4961 4132

50. The shares held in dematerialized form, are transferable through the depository system. However, shares held in physical form are processed by RTA in coordination with the Company. Shares received for transfer are registered within the stipulated time period. Shares under objection are returned within the stipulated period, seeking suitable rectification/clarification.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

51. Section 124 of the Act provides that any dividend that has remained unpaid/unclaimed for a period of seven years from the date of transfer to unpaid dividend account shall be transferred by the company to the Investor Education and Protection Fund (IEPF) established by Central Government under Section 125(1) of the Act. Accordingly, during FY 2022-23, an amount of Rs 29,284/- pertaining to unclaimed/unpaid dividend for FY 2014-15 was transferred to the IEPF. The amount of dividend for FY 2015-16 which remains unpaid/unclaimed as on 27 Oct 2023 will be transferred to IEPF by the Company. Notices to this effect have been sent to the respective shareholders to enable them to claim the amount before the said date.

52. Pursuant to the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, shares in respect of which dividend have not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of IEPF Authority. Accordingly, 312 shares in respect of which dividend have not been paid or claimed for seven consecutive years from FY 2014-15 were transferred to IEPF Authority during FY 2022-23 and details of the same are available in the website of the Company. There are no shares liable to be transferred to IEPF during FY 2023-24.

53. Further, Section 125 of the Act provides that shareholder whose dividend/shares have been transferred to the IEPF shall be entitled to claim it back from IEPF Authority on complying with the procedures laid down in this behalf.

MEANS OF COMMUNICATION

54. The Company's website www.goashipyard.in in English and Hindi provides comprehensive information including the details of the Company's business, products, services, facilities, management, human resources, recruitment, corporate social responsibility, vendor registration, tenders, e-procurement, vigilance, RTI and other updates & news. The 'Annual Reports' tab on the Company's website contains annual reports, notices and announcements, details of unpaid/unclaimed dividend, shares transferred to IEPF and contact details of Nodal Officer.

55. Notice of Annual General Meeting and Annual Report containing Financial Statements and Auditors' Report are circulated to members and others entitled thereto. As part of green initiative, the Company uses email to circulate the aforesaid documents to shareholders who have registered their email id with the Company and not opted for physical copies of Annual Report. The Annual Report of the Company, on placement before both the houses of Parliament is posted on the Company's website. A press release is issued in the newspapers after conclusion of the Annual General Meeting.

ADDITIONAL/GENERAL INFORMATION FOR SHAREHOLDERS

57th Annual General Meeting

Date : 29 September 2023

Time : 1530 hours (IST)

Venue : Through Video Conferencing. Registered Office of the Company, Vaddem, Vasco da Gama, Goa - 403 802 will be considered as Deemed Venue.

Yard Location

(i) Vaddem,
Vasco da Gama, Goa - 403 802.

(ii) GSL Units II to V
Sancoale Industrial Estate,
Zuarinagar, Goa - 403 726.

(iii) Liaisoning Office
Ground Floor, Near Maruti Temple,
KEB Road, Karwar - 581 301.

Registered Office/Address for correspondence

Goa Shipyard Limited,
Registered Office: Vasco da Gama, Goa - 403 802.
Phone: 0832-2512152-56
Email: contactus@goashipyard.com
Website: www.goashipyard.in

Declaration

As provided under the Guidelines on Corporate Governance for CPSEs 2010 issued by the Government, it is hereby declared that all Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management Personnel of Goa Shipyard Limited for the year ended 31 Mar 2023.

For Goa Shipyard Limited

Sd/-
(Brajesh Kumar Upadhyay)
Chairman & Managing Director
DIN 08852107

Place: Vasco da Gama, Goa
Date: 28 July 2023

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Goa Shipyard Limited
CIN: U63032GA1967GOI000077
Vasco Da Gama, Goa - 403802

We have examined the compliance of conditions of Corporate Governance by Goa Shipyard Limited, for the year ended on 31st March, 2023 as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) 2010 issued by Department of Public Enterprises (DPE). The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Management, we certify that the Company has complied with the aforesaid Guidelines on Corporate Governance, subject to the following observations:

During the period under review, the Company has two Independent Directors on the Board, as against sanctioned strength of three Independent Directors and thus the composition of the Board of Directors was not in compliance with the provisions of Clause 3.1 of DPE Guidelines on Corporate Governance.

As per the information and explanations given to us by the Management, the Company being a Government Company and as per the Articles of Association of the Company, power to appoint Directors (including Government & Independent Directors) and the terms and conditions of such appointment including remuneration and evaluation is vested with the Honourable President of India. We were informed by the Management that the Company has taken up the matter with Ministry of Defence regarding filling up of this vacancy.

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

For Swapnil J Dixit & Associates,
Company Secretaries
ICSI Unique Code No: S2017GO544800

Sd/-
CS Swapnil Jayant Dixit
M. No. A 34739 / C. P. No. 12942
ICSI Peer Review Cert. No.: 1499/2021

Place: Bicholim, Goa
Date: 30th Day of May, 2023
Issued Under ICSI UDIN: A034739E000424414

Annual Report on Corporate Social Responsibility (CSR) Activities for FY 2022-23

1. Brief outline on CSR Policy of the Company:

(i) GSL is committed to continuously improving its social responsibilities as a good corporate citizen, to make positive impact on the society and environment. The Company remains steadfast to contribute towards social development and meaningful quality of life of the community in which it operates, through value creation, so as to promote sustained and inclusive growth of the society and environmental sustainability.

(ii) GSL's CSR & Sustainability Policy is framed in line with the Companies Act, 2013 and Companies (CSR Policy) Rules, 2014 with thrust on the above goals to be more specific includes activities such as providing safe drinking water & sanitation facilities, health, education especially for girls, skill development, women empowerment, basic needs of the under privileged and weaker sections of the society, measures for old and aged women, mainstreaming differently abled, promoting technological startups through incubation centre, development of rural areas, environment sustainability, promote renewable sources of energy, etc.

(iii) During the FY 2022-23, the CSR activities of the Company were undertaken mainly in the areas of Healthcare, Sanitation under Swachh Bharat and Education & Skill Development in accordance with the statutory provisions under the Companies Act, 2013, the guidelines issued by the Department of Public Enterprises for Central PSUs and the CSR Policy of the Company.

2. Composition of the Committee on Sustainable Development & Corporate Social Responsibility (SD & CSR)

The SD & CSR Committee of the Board is responsible for overseeing the execution of the Company's CSR Policy. The composition of SD & CSR Committee including changes, if any, during FY 2022-23 and attendance of the members at the Committee meetings are as under:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meeting of SD & CSR Committee during the year	
			Held	Attended
1.	Shri Hasmukh Hindocha	Chairman-Independent Director	4	4
2.	Shri Deepak Manohar Patwardhan	Member-Independent Director	4	4
3.	Capt. Jagmohan (Retd.)	Member-Director (CPP&BD)	4	4
4.	Shri Sunil Shivaling Bagi	Member-Director (Finance) (from 28.09.2022)	1	1
5.	Shri Brajesh Kumar Upadhyay*	Member-CMD as Addl Charge, Director (Operations)	2	2
		Member-Director (Operations)	2	2
6.	Shri T.N. Sudhakar	Member-Director (Finance) (upto 31.07.2022)	3	3

** Shri Brajesh Kumar Upadhyay was member of the Committee as Director (Operations) upto 09.07.2022 and thereafter attended the meetings as Addl. Charge-Director (Operations).*

3. Composition of SD & CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company i.e. www.goashipyard.in.

4. Details of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable - **Not Applicable for the FY 2022-23.**

5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any- **NIL**.

6. Average net profit of the Company as per Section 135(5) : **Rs 19,089.00 lakh**

7. (a) Two percent of average net profit of the Company as per Section 135(5) : **Rs 381.78 lakh**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : **NIL**

   (c) Amount required to be set off for the financial year, if any : **NIL**

   (d) Total CSR obligation for the financial year (7a+7b-7c) : **Rs 381.78 lakh**

8. (a) CSR amount spent or unspent for the FY 2022-23:

Total Amount Spent for the Financial Year (Rs in lakh)	Amount Unspent (Rs in lakh)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
394.06	NIL	Not Applicable	Not Applicable	NIL	Not Applicable

(b) Details of CSR amount spent against **ongoing projects** for the FY 2022-23: **NIL**

(c) Details of CSR amount spent against **other than ongoing projects** for the FY 2022-23:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount Spent on CSR Project /Activity (Rs in lakh)	Mode of implement-ation Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
1.	**Healthcare**								
(a)	Provided 01 Echocardiography Machine for Goa Medical College.	Item no. (i)	Yes	Goa	North Goa	103.99	Yes	-	-
(b)	Facilitating treatment of patients at Goa Medical College, Bambolim and training of homecare nursing attendants.	Item no. (i)	Yes	Goa	North Goa	20.52	No	Matru Chhaya Trust	CSR00008186
(c)	Provided C-Arm Machine and Orthopedic Bone Drill, Saw and Reamer System for Guru Gobind Singh Government Hospital, Jamnagar, Gujarat.	Item no. (i)	No	Gujarat	Jamnagar	16.89	Yes	-	-
(d)	Provided Equipment (10 BP Apparatus, 04 Infusion Pump, 03 ECG Machine, 02 Syringe Pump, 02 High End Multipara Monitor, 01 Non Contact Tonometer, 01 Video Laryngoscope and 01 Suction Machine) for patients requiring ENT intervention, Obstetric & Gynac services and other surgeries to Sub-District Hospital, Chicalim.	Item no. (i)	Yes	Goa	South Goa	14.65	Yes	-	-
(e)	Provided C-Arm Machine for South Goa District Hospital.	Item no. (i)	Yes	Goa	South Goa	12.00	Yes	-	-
(f)	Provided 01 Anesthesia Workstation and 04 UPS for Dialysis Unit to Civil Hospital, Ratnagiri, Maharashtra.	Item no. (i)	No	Mahara-shtra	Ratnagiri	11.64	Yes	-	-
(g)	Provided Lab Reagents, 4000 Dengue Kits & 1000 Malaria Kits to Sub-District Hospital, Chicalim and organised 03 first aid training camps for local community.	Item no. (i)	Yes	Goa	North Goa/ South Goa	9.29	Yes	-	-
(h)	Installed 15 Sanitary Pad Vending Machines and 17 Sanitary Pad Incinerators in Government Schools and Hospitals.	Item no. (i)	Yes	Goa	South Goa/ North Goa	4.97	Yes	-	-
(i)	Provided Nutritional support to TB patients in Goa.	Item no. (i)	Yes	Goa	South Goa	4.50	Yes	-	-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount Spent on CSR Project /Activity (Rs in lakh)	Mode of implement-ation Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
2.	**Skill Development Activities**								
(a)	Apprentice Training Programme.	Item no. (ii)	Yes	Goa	South Goa	40.00	Yes	-	-
(b)	Provided Vehicle for Special Children to facilitate in attending School at Vidhya Vardhini Education Society, Ponda, Goa.	Item no. (ii)	Yes	Goa	South Goa	16.41	Yes	-	-
(c)	Infrastructure support to Sewa Bharti Gujarat.	Item no. (ii)	No	Gujarat	Rajkot	11.00	No	Sewa Bharti Gujarat	CSR00021398
(d)	Skilling of Women through establishment of Multi-product Processing Centre (MPC) at Pontemol, Curchorem.	Item no. (ii)	Yes	Goa	South Goa	9.50	No	Goa State Biodiversity Board, Government of Goa	CSR00014750
(e)	Research and Development Project in collaboration with National Maritime Foundation (NMF), Delhi.	Item no. (ii)	No	Delhi	Delhi	9.26	No	National Maritime Foundation	CSR00028318
(f)	Provided Lab Instruments - 06 Microscope Binocular, 02 Microscope Trinocular, 01 3KVA online UPS, 01 Desktop Computer and 01 Interactive Panel for Zoology Department of Government College of Arts, Science and Commerce Sanquelim, Goa.	Item no. (ii)	Yes	Goa	North Goa	9.06	Yes	-	-
(g)	Up-gradation of Computer Lab (09 Desktop Computers and 09 UPS) at College of Arts & Science, Farmagudi, Goa.	Item no. (ii)	Yes	Goa	South Goa	4.51	Yes	-	-
3.	**Swachh Bharat Activities/ Healthcare**								
(a)	Construction of 17 toilet blocks for girls and 07 toilet blocks & 08 urinals for boys at various schools.	Item no. (i)	Yes	Goa	North Goa/ South Goa	56.73	Yes	-	-
(b)	Adoption of road for cleaning from St. Andrew Circle Vasco to Airport Junction Chicalim, Goa.	Item no. (i)	Yes	Goa	South Goa	10.00	Yes	-	-
(c)	Construction of bunds for providing safe drinking water facility in villages at Ratnagiri District, Maharashtra.	Item no. (i)	No	Mahara-shtra	Ratnagiri	8.14	Yes	-	-
(d)	Observation of Swachh Bharat Pakhwada - Display of Banners, Fumigation, Swachhta Awareness Campaign, Outdoor Cleanliness Campaign, etc.	Item no. (i)	Yes	Goa	South Goa	2.00	Yes	-	-
					Total	**375.06**			

(d) Amount spent in Administrative Overheads : **Rs 19.00 lakh**

(e) Amount spent on Impact Assessment, if applicable : **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : **Rs 394.06 lakh**

(g) Details of excess amount for set off, if any:

Sl. No.	Particular	Amount (Rs in lakh)
(i)	Two percent of average net profit of the Company as per Section 135(5)	**381.78**
(ii)	Total amount spent for the Financial Year	**394.06**
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	**12.28**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	**NIL**
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-*

** Note: During FY 2022-23, the Company has spent an excess amount of Rs 12.28 lakh, but not availing the set-off benefit in succeeding financial years.*

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

   (b) Details of CSR amount spent in the financial year 2022-23 for ongoing projects of the preceding financial year(s): **NIL**

10. Details of creation or acquisition of capital asset through CSR spent in the financial year 2022-23 (asset-wise details):-

Sl. No.	(a) Date of creation or acquisition of the capital asset(s)	(b) Amount of CSR spent for creation or acquisition of capital asset (Rs in lakh)	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
1	25.03.2023	103.99	Goa Medical College, Bambolim, Goa.	01 Echocardiography Machine - Goa Medical College, Bambolim Goa.
2	09.01.2023	29.36	(i) Government High School, Daushire Tisk, Usagao, Goa; (ii) Government High School, Namoshi Guirim, Mapusa, Goa; (iii) Government Primary School, Gaonkarwada, Khandola, Marcel, Goa; and (iv) Vaddem Nagar Shikshan Seva Mandals Higher Secondary School, Vaddem Nagar, New Vaddem, Mormugao, Goa.	(i) 02 toilet blocks each for girls and boys - Government High School, Daushire Tisk, Usagao, Goa. (ii) 02 toilet blocks for girls - Government High School, Namoshi Guirim, Mapusa, Goa. (iii) 01 toilet block each for girls and boys - Government Primary School, Gaonkarwada, Khandola, Marcel, Goa (iv) 01 toilet block each for girls & boys and 06 urinals for boys - Vaddem Nagar Shikshan Seva Mandals Higher Secondary School, Vaddem Nagar, New Vaddem, Mormugao, Goa.

Sl. No.	(a) Date of creation or acquisition of the capital asset(s)	(b) Amount of CSR spent for creation or acquisition of capital asset (Rs in lakh)	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
3	30.11.2022	27.37	(i) Government Primary School, Pilye Dharbandoda, Goa; (ii) Jawahar Navodaya High School, Canacona, Goa; and (iii) Government Primary School, Kendra, Sanguem, Goa.	(i) 01 toilet block each for girls & boys and 02 urinals for boys - Government Primary School, Pilye, Dharbandoda, Goa. (ii) 08 toilet blocks for girls - Jawahar Navodaya High School, Canacona, Goa. (iii) 02 toilet blocks each for girls and boys - Government Primary School, Kendra, Sanguem, Goa.
4	27.12.2022	16.89	Guru Gobind Singh Government Hospital, Jamnagar, Gujarat.	01 C-Arm Fluoroscope X-ray Machine and 01 Orthopaedic Bone Drill, Saw Reamer System - Government Hospital, Jamnagar, Gujarat.
5	29.11.2022	16.41	Vidhya Vardhini Education Society, Usgao, Ponda, Goa.	01 Force Traveller (26 Seater) - Vidhya Vardhini Education Society, Usgao, Ponda, Goa.
6	22.02.2023	14.65	Sub-District Hospital, Chicalim, Goa.	10 BP Apparatus, 04 Infusion Pump, 03 ECG Machine, 02 Syringe Pump, 02 High End Multipara Monitor, 01 Non Contact Tonometer, 01 Video Laryngoscope and 01 Suction Machine - Sub-District Hospital, Chicalim, Goa.
7	04.02.2023	12.00	South Goa District Hospital Margao, Goa.	01 C-Arm Fluoroscope X-ray Machine - South Goa District Hospital, Margao, Goa.
8	16.02.2023 & 21.11.2022	11.64	Civil Hospital, Ratnagiri, Maharashtra.	01 Anaesthesia Workstation and 04 UPS for Dialysis Unit - Civil Hospital, Ratnagiri, Maharashtra.
9	31.12.2022	9.50	Goa State Biodiversity Board, Government of Goa, Opposite Seminary Saligao, Bardez, Goa.	Multi-product Processing Centre, Pontemol, Curchorem, Goa.
10	08.11.2022	9.06	Government College of Arts, Science and Commerce Sanquelim, Goa.	06 Microscope Binocular, 02 Microscope Trinocular, 01 3KVA online UPS, 01 Desktop Computer and 01 Interactive Panel - Government College of Arts, Science and Commerce Sanquelim, Goa.
11	16.01.2023	4.97	(a) Government High School- (i) Shirigao (ii) Sal (iii) Namoshi, Guirim (iv) Kumbharjua (v) Maina, Quepem (vi) Ambaulim, Quepem	Installation of 15 Sanitary Pad Vending Machines and 17 Sanitary Pad Incinerators - (a) 01 Sanitary Pad Vending Machine and 01 Sanitary Pad Incinerator each to: (i) Government High School, Shirigao, (ii) Government High School, Sal, (iii) Government High School, Namoshi, Guirim,

Sl. No.	(a) Date of creation or acquisition of the capital asset(s)	(b) Amount of CSR spent for creation or acquisition of capital asset (Rs in lakh)	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
			(vii) Malkarnem, Quepem (viii) Menkure, Bicholim (ix) Ganje Usgao; (b) Government Higher Secondary School- (i) Canacona (ii) Valpoi; (c) Government Middle School- (i) Cortalim (ii) Curpawaddo (iii) Dabolim (iv) Jetty; and (d) ESI Hospital, Margao, Goa.	(iv) Government High School, Kumbharjua, (v) Government High School, Maina Quepem, (vi) Government High School, Ambaulim, Quepem, (vii) Government High School, Malkarnem, Quepem, (viii) Government High School, Menkure, Bicholim, (ix) Government High School, Ganje Usgao, (x) Government Higher Secondary School Canacona, (xi) Government Higher Secondary School, Valpoi; (b) 01 Sanitary Pad Incinerator each to: (i) Government Middle School, Cortalim, (ii) Government Middle School, Curpawaddo, (iii) Government Middle School, Dabolim, (iv) Government Middle School, Jetty; and (c) 04 Sanitary Pad Vending Machines and 02 Sanitary Pad Incinerators to ESI Hospital, Margao, Goa.
12	07.09.2022	4.51	College of Arts & Science, Farmagudi, Ponda, Goa.	09 each of Desktop Computers and UPS - College of Arts & Science, Farmagudi, Ponda, Goa.

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

Sd/-
(Brajesh Kumar Upadhyay)
Chairman & Managing Director
DIN: 08852107

Sd/-
(Hasmukh Hindocha)
Chairman of SD & CSR Committee
DIN: 09453805

Place: Vasco da Gama, Goa
Date: 28 July 2023

CSR INITIATIVES BY GSL



Inauguration of Senior First Aid Training Camp for School Teachers in Sanquelim, Goa



Provided C-Arm Machine to Guru Gobind Singh Government Hospital, Jamnagar, Gujarat



Provided Echocardiography Machine to Goa Medical College



Provided Vehicle to VidhyaVardhini Education Society, Ponda, Goa for Special Children



Established Multi-product Processing Centre for Skilling of Women at Pontemol, Curchorem, Goa



Provided Nutritional support to TB patients in Goa under Pradhan Mantri TB Mukt Bharat Abhiyaan



Installed Sanitary Pad Incinerator to Government Higher Secondary School, Valpoi, Goa



Constructed Toilet Blocks at Government High School, Daushire, Tisk, Goa

Annexure 'F' to Directors' Report

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Goa Shipyard Limited
CIN: U63032GA1967GOI000077
Vasco Da Gama, Goa - 403802

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023, according to the provisions of:

i. The Companies Act, 2013 ('the Act') and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (Not applicable to the Company during the audit period);

iii. The Company is an unlisted Central Government Company. However, the Company has optionally admitted its equity shares in dematerialized form on both the depositories viz. NSDL and CDSL. During the audit period, the Company has complied with the Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder to the extent applicable;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable;

v. The Company being an unlisted Company, the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company during the audit period:-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

vi. We have relied on the representation made by the Company about systems and mechanisms framed by the Company for compliance with the relevant provisions of the following laws/Acts identified by the Company as being applicable to the Company:

a. The Factories Act, 1948

b. The Payment of Wages Act, 1936 and other labour laws

c. The Contract Labour (Regulation & Abolition) Act, 1970

d. Employees' State Insurance Act, 1948

e. Employees' Provident Fund and Miscellaneous Provisions Act, 1952

f. Payment of Gratuity Act, 1972

g. The Environment Protection Act, 1986

h. The Hazardous Wastes (Management and Handling Rules), 1989 and Amendment Rules, 2003

i. DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010.

vii. We have also examined compliance with the applicable clauses of the Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

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

There was no Woman Director on the Board of Directors of the Company for the period from 23 Dec 2022 to 31 Mar 2023 and to that extent the composition of the Board of Directors was not in compliance with the provisions of Section 149 of the Companies Act, 2013 & rules made thereunder.

During the period under review, the Company has two Independent Directors on its Board, as against sanctioned strength of three Independent Directors and thus the composition of the Board of Directors was not in compliance with the provisions of Clause 3.1 of DPE Guidelines on Corporate Governance.

As per the information and explanations given to us by the Management, the Company being a Government Company and as per the Articles of Association of the Company, power to appoint Directors (including Government & Independent Directors) and the terms and conditions of such appointment including remuneration and evaluation is vested with the Honourable President of India. We were informed by the Management that the Company has taken up the matter with Ministry of Defence regarding filling up of these vacancies.

We further report that:

a) Subject to the above observations, the Board of Directors of the Company, is duly constituted with a reasonable balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

c) All decisions at Board Meetings and Committee Meetings were carried out on the basis of majority and as recorded as part of the minutes. There were no dissenting views by any member of the Board of Directors and Committees recorded during the period under review.

d) There are adequate systems and processes in the Company commensurate with the size and

operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

e) During the audit period, the Company has obtained the approval of the Shareholders for increasing the borrowing powers (non-fund based facility) of the Company in accordance with the provisions of Section 180(1)(c) of the Act.

f) During the audit period, there were no instances of:

i. Public/ Rights/ Preferential issue of shares/ debentures/ sweat equity.

ii. Redemption / buy-back of securities.

iii. Merger/ amalgamation/ reconstruction, etc.

For Swapnil J Dixit & Associates,
Company Secretaries
ICSI Unique Code No: S2017GO544800

Sd/-
CS Swapnil Jayant Dixit
M. No. A 34739 / C. P. No. 12942
ICSI Peer Review Cert. No.: 1499/2021

Place: Bicholim, Goa
Date: 30th Day of May, 2023
Issued Under ICSI UDIN: A034739E000424612

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

Annexure A

Forming Part of Secretarial Audit Report for year ended 31st March 2023

To,
The Members,
Goa Shipyard Limited
CIN: U63032GA1967GOI000077
Vasco Da Gama, Goa - 403802

Our report of even date issued under ICSI UDIN: A034739E000424612 is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Swapnil J Dixit & Associates,
Company Secretaries
ICSI Unique Code No: S2017GO544800

Sd/-
CS Swapnil Jayant Dixit
M. No. A 34739 / C. P. No. 12942
ICSI Peer Review Cert. No.: 1499/2021

Place: Bicholim, Goa
Date: 30th Day of May, 2023

INDEPENDENT AUDITORS' REPORT

To the Members of Goa Shipyard Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of Goa Shipyard Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Draft Board of Director's report along with its annexures which is subject to Board's approval but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance / conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the available other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable,

matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A"; a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the

Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) The Company falls within the ambit of definition of Government Company under Section 2(45) of the Act. Accordingly, the provisions of Section 164(2) of the Act are not applicable to the Company.

(f) With respect to the adequacy of the internal financial controls with reference to financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) The Company falls within the ambit of definition of Government Company under Section 2(45) of the Act. Hence, in our opinion, provisions related to Managerial Remuneration under Section 197 of the Act are not applicable to the government company in terms of MCA notification no. GSR 463 (E) dated June 05, 2015.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 2.45 to the Financial Statements.

(ii) The Company has made requisite provision as at March 31, 2023, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts. The Company did not have any derivative contracts as at March 31, 2023.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(iv) (a) The management has represented to us that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts to the Financial Statements, if any, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented to us, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts to the Financial Statements, if any, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the information and explanation given to us and audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the management and as mentioned under sub-clause (iv)(a) and (iv)(b) above contain any material misstatement.

(v) The interim dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act and;

The Board of Directors of the Company have proposed final dividend for the year

which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

(vi) The requirement to the use of accounting software for maintaining Company's books of account which has a feature of recording audit trail (edit log) facility, as prescribed under Rule 3(1) of the Companies (Accounts) Rules, 2014, is deferred to financial years commencing on or after April 1, 2023, therefore reporting under Rule 11(g) of Companies (Audit & Auditors) Rules, 2014 is not applicable for financial year ended on March 31, 2023.

3. As required by the directions issued by the office of the Comptroller and Auditor General of India under Section 143(5) of the Act, we give in "Annexure – C", a statement on the matters referred to in those directions.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682

Sd/-
Shrinivas G. Deshpande
Partner
Membership Number: 234875
UDIN: 23234875BGWMJL7567

Vasco da Gama, Goa
May 26, 2023

Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Property, Plant & Equipment are physically verified by the Management according to a phased program to cover all the items of the Property, Plant & Equipment, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, a portion of the Property, Plant & Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 2.1 on Property, Plant & Equipment to the Financial Statements, are held in the name of the Company.

In respect of immovable properties that have been taken on lease and disclosed in Note 2.2 on "Right-of-use Assets" to the Financial Statements, the lease agreements are in the name of Company, except for following case:

Land at Sada, Vasco, Goa, having land area 10,775 Sq. Mtrs. comprising of Company Godown, for which Company is yet to execute the lease deed. The Company took possession of land in September 1981, on the basis of Memorandum No. RB/CTN-2/107/72/625 dated August 19, 1981, executed with the Government.

(d) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or intangible assets during the year.

(e) According to the information and explanations provided to us, there are no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder. Hence reporting under clause 3(i)(e) of the Order is not applicable.

ii. (a) The physical verification of inventory have been conducted at reasonable intervals by the management during the year. In our opinion and based on the policy adopted by the management, the coverage and procedure of such verification is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) According to the information and explanations provided to us, the Company has fund and non-fund based working capital limits in excess of five crore rupees as at March 31, 2023, in aggregate, from banks or financial institutions, part of which is on the basis of security of current assets. The Company as at March 31, 2023 does not have any fund based utilization. The management of the Company have represented to us that, there have been no quarterly returns or statements are mandated to be filed with their banks or financial institutions and hence no returns or statements have been filed with their banks or financial institutions.

iii. (a) The Company has not made any investments in, stood any guarantee or provided any security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties except secured and unsecured loan given to employees.

The aggregate amount of such loan to employees during the year and balances thereof as at balance sheet date are as under –

Particulars	Loans (Amount in Lakhs)
Aggregate amount provided during the year	
- Employees (Secured)	27.60
- Employees (Unsecured)	2.40
Balance outstanding as at balance sheet date in respect of above cases	
- Employees (Secured)	100.47
- Employees (Unsecured)	6.18

(b) In terms of the information and explanations given to us and the books of account and records examined by us the terms and conditions of the loan to employees given during the year are not prejudicial to the Company's interest.

(c) In respect of the aforesaid loan to employees, the schedule of repayment of principal and payment of interest has been stipulated, and the deduction towards principal and interest is regularly done by the Company from the salary to employees.

(d) In respect of the aforesaid loan to employees, there is no amount which is overdue for more than ninety days.

(e) In respect of the loan to employees which has fallen due during the year, no renewal or extension were granted, or no fresh loans granted to settle the over dues of existing loan given to the employees.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company and hence not commented upon.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified. Therefore, the provisions of clause 3(v) of the said Order are not applicable to the Company and hence not commented upon.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including Goods and Service Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues, including Goods and Service Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, 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 and the records of the Company examined by us, the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Goa Value Added Tax Act, 2005 & Central Sales Tax, 1956	Value Added Tax & Central Sales Tax	203.15	Financial year 2016-17	Appellate Authority up to commissioner's level
Customs Act, 1962	Integrated Goods and Services Tax	898.80 (along with interest as applicable under statue)	February 2018 to September 2018	Appellate Tribunal
Goa Value Added Tax Act, 2005 & Central Sales Tax, 1956	Value Added Tax & Central Sales Tax	13.87 (interest portion)	Financial year 2017-18	Additional Commissioner of Commercial Tax
Finance Act, 1994	Service Tax	46.88 (along with penalty)	October 2015 to June 2017	Appellate Tribunal

Name of the statute	Nature of dues	Amount (Rs in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Customs Act, 1962	Basic Custom duty, Social Welfare charges and Integrated Goods and Service Tax (Goa)	4,612.00 (including interest as applicable under statue)	August 2020 to December 2021	Company is in process of appeal to tribunal
Customs Act, 1962	Basic Custom duty, Social Welfare charges and Integrated Goods and Service Tax (Mumbai)	18.23 (Including interest as applicable under statue)	May 2020	Company is in process of appeal to tribunal

viii. In terms of the information and explanations given to us and the books of account and records examined by us, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account during the year in the tax assessments under the Income Tax Act, 1961. Hence reporting under clause 3(viii) of the Order is not applicable.

ix.(a) As the Company does not have any term loans or other borrowings from any lender as at the balance sheet date, the provisions of clause 3(ix)(a) of the Order are not applicable to the Company and hence not commented upon.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not availed any term loan.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Financial Statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture, hence reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company does not have any subsidiary, associate or joint venture, hence reporting under clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year. Accordingly, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report in the form ADT-4 as specified under sub-section (12) of section 143 of the Companies Act has not been filed by auditors. Accordingly, reporting under clause 3(xi)(b) of the Order is not applicable.

(c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and as represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. As per the information and explanation by the management, the Company, wherever applicable, has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the Financial Statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

xvii. The Company has not incurred cash losses during current financial year and had not incurred cash losses during immediately preceding financial year.

xviii. There has been no resignation by statutory auditors during the year hence reporting under clause 3(xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no unspent amounts towards Corporate Social Responsibility (CSR) in respect of ongoing projects requiring a transfer to a Special Account in compliance with sub-section (6) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682

Sd/-
Shrinivas G. Deshpande
Partner
Membership Number: 234875
UDIN: 23234875BGWMJL7567

Vasco da Gama, Goa
May 26, 2023

Annexure B to the Independent Auditors' Report

Referred to in paragraph 2(f) under the heading, "Report on Other Legal and Regulatory Requirements" of our report on even date:

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

We have audited the internal financial controls with reference to the Financial Statements of Goa Shipyard Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Financial Statements.

Meaning of Internal Financial Controls with reference to the Financial Statements

A company's internal financial controls with reference to the Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial

controls with reference to the Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has in all material respects, adequate internal financial controls with reference to the Financial Statements and such internal financial controls with reference to the Financial Statements were operating effectively as at March 31, 2023, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682

Sd/-
Shrinivas G. Deshpande
Partner
Membership Number: 234875
UDIN: 23234875BGWMJL7567

Vasco da Gama, Goa
May 26, 2023

Annexure C to the Independent Auditor's Report

Referred to in paragraph 3 under "Report on Other Legal and Regulatory Requirements" section of our report to the members of Goa Shipyard Limited of even date.

Directions indicating the areas to be examined by the Statutory auditors during the course of audit of Annual Accounts of Goa Shipyard Limited for the financial year ended March 31, 2023, issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013.

Sr. No.	Areas Examined	Observations / Findings
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications if any, may be stated.	According to the information and explanation given to us and based on the records of the Company examined by us, the Company has ERP system in place that enables to process all the accounting transactions through IT system. The electronic data generated from separate software modules is transferred into the main ERP system. Journal Entries are accounted with maker-checker concept to ensure integrity of the system.
2.	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company).	According to the information and explanations given to us and based on the records of the Company examined by us, there were no case of restructuring, waiver of loan or write off of debts/loans/interest etc. in the period covered under our audit.
3.	Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for /utilized as per its terms and conditions? List the cases of deviation.	According to the information and explanation given to us and based on the records, i. During the year, the Company has Central Government subsidy receivable amounting to Rs. 680 Lakhs under Shipbuilding Financial Assistance Policy (SBFAP) of Ministry of Ports, Shipping and Waterways. Based on our examinations, these subsidies have been properly accounted for. ii. The Company has received Central Government Assistance of Rs. 88,000 Lakhs in previous years for modernization project. Based on our examinations, these funds have been properly accounted and utilised as per its terms and conditions of sanction. No deviation in these cases has been noticed by us.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682

Sd/-
Shrinivas G. Deshpande
Partner
Membership Number: 234875
UDIN: 23234875BGWMJL7567

Vasco da Gama, Goa
May 26, 2023

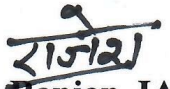
COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF GOA SHIPYARD LIMITED, VASCO-DA-GAMA, GOA FOR THE YEAR ENDED 31 MARCH 2023.

The preparation of financial statements of **Goa Shipyard Limited, Vasco-Da-Gama, Goa** for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 26 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Goa Shipyard Limited, Vasco-Da-Gama, Goa** for the year ended 31 March 2023 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India



(Rajesh Ranjan, IA&AS)
Principal Director of Audit
(Defence-Commercial)

Bangalore
Date: 25 July 2023.

BALANCE SHEET AS AT 31ST MARCH 2023

(₹ in Lakhs)

	Particulars	Note	As at 31-03-2023	As at 31-03-2022
I	**ASSETS**			
(1)	**Non-current Assets**			
(a)	Property, Plant and Equipment	2.1	96,938.78	75,328.50
(b)	Intangible Assets	2.1	327.22	92.62
(c)	Right-of-use-Assets	2.2	428.05	529.33
(d)	Capital Work-in-Progress	2.3	11,035.74	33,261.16
(e)	Financial Assets:			
	(i) Loans	2.4	83.77	86.00
	(ii) Other Financial Assets	2.5	37.17	3,340.09
(f)	Other Non-current Assets	2.6	110.46	319.75
	Total Non-current Assets		**1,08,961.19**	**1,12,957.45**
(2)	**Current Assets**			
(a)	Inventories	2.7	11,428.00	4,811.99
(b)	Financial Assets:			
	(i) Trade Receivables	2.8	16,873.29	18,953.08
	(ii) Cash and Cash Equivalents	2.9	49,309.69	12,391.48
	(iii) Bank Balances other than Cash and Cash Equivalents	2.10	3,20,259.27	2,44,397.00
	(iv) Loans	2.11	22.88	24.95
	(v) Other Financial Assets	2.12	8,546.90	5,833.18
(c)	Contract Assets	2.13	19,275.17	9,173.82
(d)	Current Tax Assets (Net)	2.14	8,550.87	6,636.61
(e)	Other Current Assets	2.15	69,890.52	60,743.97
	Total Current Assets		**5,04,156.59**	**3,62,966.08**
	TOTAL ASSETS		**6,13,117.78**	**4,75,923.53**
II.	**EQUITY AND LIABILITIES**			
(1)	**Equity**			
(a)	Equity Share Capital	2.16	5,820.19	5,820.19
(b)	Other Equity	2.17	1,18,866.12	1,09,063.03
	Total Equity		**1,24,686.31**	**1,14,883.22**
(2)	**Non-current Liabilities**			
(a)	Financial Liabilities:			
	(i) Lease Liabilities	2.18	382.36	461.13
	(ii) Trade Payables	2.19	-	-
	(iii) Other Financial Liabilities	2.20	22.29	67.38
(b)	Provisions	2.21	2,698.70	2,001.02
(c)	Deferred Tax Liabilities (Net)	2.22	1,173.23	663.65
(d)	Other Non-current Liabilities	2.23	56,197.70	60,572.69
	Total Non-current Liabilities		**60,474.28**	**63,765.87**
(3)	**Current Liabilities**			
(a)	Financial Liabilities:			
	(i) Lease Liabilities	2.24	78.79	74.66
	(ii) Trade Payables	2.25		
	a. total outstanding dues of micro enterprises and small enterprises; and		718.08	333.60
	b. total outstanding dues of creditors other than micro enterprises and small enterprises		40,551.31	26,752.15
	(iii) Other Financial Liabilities	2.26	8,139.31	8,183.39
(b)	Contract Liabilities	2.27	3,44,783.06	2,35,323.38
(c)	Other Current Liabilities	2.28	30,416.51	21,706.27
(d)	Provisions	2.29	3,270.13	4,900.99
	Total Current Liabilities		**4,27,957.19**	**2,97,274.44**
	TOTAL EQUITY AND LIABILITIES		**6,13,117.78**	**4,75,923.53**

SIGNIFICANT ACCOUNTING POLICIES (1) AND NOTES TO ACCOUNTS (2.1) to (2.56) FORM PART OF ACCOUNTS

As per Our Report of Even Date Attached
For P G BHAGWAT LLP
Chartered Accountants
(FRN 101118W/W100682)

Sd/-
Shrinivas G Deshpande
Partner
M.No. 234875
UDIN: 23234875BGWMJL7567

Place: Vasco da Gama, Goa
Date: 26-05-2023

For and on behalf of the Board of Directors
GOA SHIPYARD LIMITED

Sd/-
Brajesh Kumar Upadhyay
Chairman & Managing Director
DIN Number: 08852107

Sd/-
Chhaya Jain
Company Secretary

Sd/-
Sunil Shivaling Bagi
Director (Finance) & CFO
DIN Number: 09750279

Place: Vasco da Gama, Goa
Date: 26-05-2023

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2023

(₹ in Lakhs)

	Particulars	Note	For the year ended 31-03-2023	For the year ended 31-03-2022
I	**INCOME:**			
	Revenue from Operations:			
	(i) Turnover (Value of Production)	2.30	82,496.97	70,369.72
	(ii) Other Operating Revenue	2.30	4,446.13	3,665.64
			86,943.10	74,035.36
	Other Income	2.31	17,637.16	12,439.65
	Total Income		**1,04,580.26**	**86,475.01**
II	**EXPENSES:**			
	Cost of Materials Consumed	2.32	28,643.75	28,562.83
	Cost of Base and Depot Spares	2.33	4,328.37	2,527.63
	Employees Benefit Expenses	2.34	16,114.98	14,130.57
	Sub-contract Expenses		14,023.11	7,636.02
	Direct Expenses		6,679.12	5,307.46
	Finance Cost	2.35	46.50	25.52
	Depreciation & Amortisation Expenses	2.1	6,185.49	5,601.80
	Other Expenses	2.36	7,204.34	6,709.21
	Corporate Social Responsibility Expenditure	2.37	394.06	447.33
	Provisions	2.38	459.48	1,619.64
	Total Expenses		**84,079.20**	**72,568.01**
III	**Profit before Exceptional Item & Tax (I - II)**		**20,501.06**	**13,907.00**
IV	**Exceptional Items**	2.39	**-**	**363.64**
V	**Profit before Tax (III - IV)**		**20,501.06**	**13,543.36**
VI	**Tax Expense:**	2.40		
	(i) Current Tax		4,750.00	3,750.00
	(ii) Taxes pertaining to earlier years		(212.84)	(109.15)
	(iii) Deferred Tax		509.58	(206.68)
	Total Tax Expenses		**5,046.74**	**3,434.17**
VII	**Profit for the year (V - VI)**		**15,454.32**	**10,109.19**
VIII	**Other Comprehensive Income**			
	A. Items that will not be reclassified to profit or loss			
	Actuarial gain/(loss) on employment defined benefit plan		(5.65)	(147.19)
	B. Items that will be reclassified to profit or loss		-	-
IX	**Other Comprehensive Income for the year**		**(5.65)**	**(147.19)**
X	**Total Comprehensive Income for the year (VII+VIII) (Comprising Profit and Other Comprehensive Income for the year)**		**15,448.67**	**9,962.00**
XI	**Earnings per Equity Share:**	2.41		
	(1) Basic Earnings per Equity Share (Rs.)		13.28	8.68
	(2) Diluted Earnings per Equity Share (Rs.)		13.28	8.68

SIGNIFICANT ACCOUNTING POLICIES (1) AND NOTES TO ACCOUNTS (2.1) to (2.56) FORM PART OF ACCOUNTS

As per Our Report of Even Date Attached
For P G BHAGWAT LLP
Chartered Accountants
(FRN 101118W/W100682)

Sd/-
Shrinivas G Deshpande
Partner
M.No. 234875
UDIN: 23234875BGWMJL7567

Place: Vasco da Gama, Goa
Date: 26-05-2023

For and on behalf of the Board of Directors
GOA SHIPYARD LIMITED

Sd/-
Brajesh Kumar Upadhyay
Chairman & Managing Director
DIN Number: 08852107

Sd/-
Chhaya Jain
Company Secretary

Sd/-
Sunil Shivaling Bagi
Director (Finance) & CFO
DIN Number: 09750279

Place: Vasco da Gama, Goa
Date: 26-05-2023

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

(₹ in Lakhs)

	Particulars	For the year ended 31-03-2023		For the year ended 31-03-2022	
I	**CASH FLOW FROM OPERATING ACTIVITIES:**				
A	**Net Profit before Tax as per Statement of Profit & Loss**		**20,501.06**		**13,543.36**
	Adjusted for:				
	Profit on Sale of Fixed Assets (Net)	(18.18)		(37.79)	
	Depreciation and Amortisation Expenses	6,185.49		5,601.80	
	Interest Income	(15,704.13)		(11,886.85)	
	Finance Costs	46.50		25.52	
	Govt Subsidy deducted from Sub Contract Expenses	(680.00)		-	
	Unwinding of Grant Income	(3,929.58)	(14,099.90)	(3,452.99)	(9,750.31)
B	**Operating Profit before Working Capital Changes**		**6,401.16**		**3,793.05**
	Adjusted for:				
	Inventories	(6,616.01)		907.68	
	Trade Receivables	2,079.79		1,231.24	
	Loans	4.30		99.45	
	Other Financial Assets	219.68		505.18	
	Other Current Assets	(19,247.90)		992.47	
	Other Non-current Assets	209.29		(4.92)	
	Trade Payables	14,183.64		(3,367.44)	
	Other Financial Liabilities	(83.55)		(666.86)	
	Other Liabilities	1,17,724.51		59,636.68	
	Provisions	(938.83)	1,07,534.92	(181.47)	59,152.01
C	**Cash Generated from Operations**		**1,13,936.08**		**62,945.06**
	Taxes Paid (net of refund)		(6,451.42)		(5,272.12)
D	**Net Cash (used in)/from Operating Activities (I)**		**1,07,484.66**		**57,672.94**
II	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of Property, Plant and Equipment	(27,997.16)		(6,286.99)	
	Sale of Property, Plant and Equipment	86.25		46.58	
	Capital Work-in-Progress	22,225.42		(4,489.12)	
	Redemption/(Investment) of Fixed Deposits having original maturity more than 3 months	(75,862.27)		(53,394.38)	
	Redemption/(Investment) of Fixed Deposits having remaining maturity more than 12 months	3,301.37		(2,335.37)	
	Interest Income Received	13,452.28		11,111.63	
	Net Cash (used in)/from Investing Activities (II)		**(64,794.11)**		**(55,347.65)**
III	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Repayment of Lease Liabilities	(80.26)		(97.02)	
	Dividend Paid	(5,645.58)		(4,947.16)	
	Interest Paid	(46.50)		(25.52)	
	Net Cash (used in)/from Financing Activities (III)		**(5,772.34)**		**(5,069.70)**
IV	**Net Increase/(Decrease) in Cash and Cash Equivalents (I+II+III)**		**36,918.21**		**(2,744.41)**
V	**Opening Balance of Cash and Cash Equivalents**		**12,391.48**		**15,135.89**
VI	**Closing Balance of Cash and Cash Equivalents**		**49,309.69**		**12,391.48**
VII	**Components of Cash and Cash Equivalents**				
	Balances with Banks				
	1. Balances with Banks in current accounts		250.42		1,086.08
	2. Fixed Deposit with Banks		49,054.00		11,293.00
	3. In Imprest Account		5.27		12.40
	Total		**49,309.69**		**12,391.48**

As per Our Report of Even Date Attached
For P G BHAGWAT LLP
Chartered Accountants
(FRN 101118W/W100682)

Sd/-
Shrinivas G Deshpande
Partner
M.No. 234875
UDIN: 23234875BGWMJL7567
Place: Vasco da Gama, Goa
Date: 26-05-2023

For and on behalf of the Board of Directors
GOA SHIPYARD LIMITED

Sd/-
Brajesh Kumar Upadhyay
Chairman & Managing Director
DIN Number: 08852107

Sd/-
Chhaya Jain
Company Secretary

Sd/-
Sunil Shivaling Bagi
Director (Finance) & CFO
DIN Number: 09750279

Place: Vasco da Gama, Goa
Date: 26-05-2023

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

(₹ in Lakhs)

A. Equity Share Capital

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance at the beginning of the reporting period	5820.19	5820.19
Changes in equity share capital during the period	-	-
Balance at the end of the reporting period	**5820.19**	**5820.19**

B. Other Equity

Particulars	Reserves and Surplus			Total
	Capital Reserve	General Reserve	Retained Earnings	
Balance as at 1st April, 2021	**42.86**	**95,087.04**	**8,918.29**	**1,04,048.19**
Profit for the year			10,109.19	10,109.19
Other comprehensive income/(loss) for the year			(147.19)	(147.19)
Total comprehensive income for the year			**9,962.00**	**9,962.00**
Dividend			(4,947.16)	(4,947.16)
Transfer to General Reserve		7,000.00	(7,000.00)	-
Balance as at 31st March, 2022	**42.86**	**1,02,087.04**	**6,933.13**	**1,09,063.03**
Balance as at 1st April, 2022	42.86	1,02,087.04	6,933.13	1,09,063.03
Profit for the year			15,454.32	15,454.32
Other comprehensive income/(loss) for the year			(5.65)	(5.65)
Total comprehensive income for the year			**15,448.67**	**15,448.67**
Dividend			(5,645.58)	(5,645.58)
Transfer to General Reserve		5,600.00	(5,600.00)	-
Balance as at 31st March, 2023	**42.86**	**1,07,687.04**	**11,136.22**	**1,18,866.12**

Note:

(a) The Company at its Annual General Meeting for the FY 2021-22 held on 29th September, 2022 declared a Final Dividend to the Equity Shareholders @ 22% per share (i.e. Rs 1.1/-) amounting to Rs 1,280.44 lakhs which was paid during FY 2022-23.

(b) During FY 2022-23, the Company declared and paid Interim Dividend of Rs 4,365.14 lakhs at the rate of Rs 3.75/- per equity share.

(c) Accordingly, the total Dividend paid during FY 2022-23 amounts to Rs 5,645.58 lakhs.

(d) Further to the Interim Dividend paid as mentioned at sl.no.(b) above, the Board has recommended Final Dividend @ 33% per share (i.e Rs 1.65/-) to the Equity Shareholders (previous year 22%), which works out to Rs 1,920.66 lakhs. This will be paid after approval by the Shareholders in the Annual General Meeting for FY 2022-23. The total Dividend for the financial year ended March 31, 2023 paid/proposed amounts to Rs 6,285.80 lakhs (including Interim Dividend of Rs 4,365.14 lakhs).

As per Our Report of Even Date Attached
For P G BHAGWAT LLP
Chartered Accountants
(FRN 101118W/W100682)

Sd/-
Shrinivas G Deshpande
Partner
M.No. 234875
UDIN: 23234875BGWMJL7567

Place: Vasco da Gama, Goa
Date: 26-05-2023

For and on behalf of the Board of Directors
GOA SHIPYARD LIMITED

Sd/-
Brajesh Kumar Upadhyay
Chairman & Managing Director
DIN Number: 08852107

Sd/-
Chhaya Jain
Company Secretary

Sd/-
Sunil Shivaling Bagi
Director (Finance) & CFO
DIN Number: 09750279

Place: Vasco da Gama, Goa
Date: 26-05-2023

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. CORPORATE INFORMATION

The Company is a Government company domiciled and incorporated in India. The registered office of the Company is located at Vaddem, Vasco Da Gama, Goa.

The Company is principally engaged in building and repairing various types of ships and related General Engineering Services for its customers.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The financial statements have been prepared on historical cost basis except for certain financial assets and liabilities which have been measured at fair value.

3. CURRENT / NON CURRENT CLASSIFICATION

i. **The assets and liabilities in the Balance Sheet are based on current/non-current classification. An asset is current when it is**:

   a. Expected to be realized or intended to be sold or consumed in normal operating cycle.

   b. Held primarily for the purpose of trading.

   c. Expected to be realized within twelve months after the reporting, or

   d. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

ii. All other assets are classified as non-current.

iii. **A liability is current when it is:**

   a. Expected to be settled in normal operating cycle.

   b. Held primarily for the purpose of trading.

   c. Due to be settled within twelve months after the reporting, or

   d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

iv. All other liabilities are classified as non-current.

v. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

vi. **Operating Cycle:**

   a. In the case of ship building and ship repair & refit activities, normal operating cycle is considered vessel wise. The time period from the effective date of contract/letter of intent to the date of expiry of guarantee period is the Normal Operating Cycle. As the build period of the ships depend upon the size/ technical specification of each individual ship, defining a uniform Operating Cycle is not feasible.

   b. With regard to other business activities, normal operating cycle will be 12 months.

4. USE OF ESTIMATES

The presentation of financial statements of the Company requires estimates and assumptions to be made that may affect the reported amount of assets, liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimated. Differences between the actual results and estimates are recognised in the period in which the results are known / materialized.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in notes.

ESTIMATES AND ASSUMPTIONS ARE REQUIRED IN PARTICULAR FOR:

i. **Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized**:

   Useful life of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice considering the nature of

the asset, estimated usage, operating conditions of the asset, past history of replacement and maintenance support.

ii. **Recognition and measurement of defined benefit obligations:**

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

iii. **Recognition of deferred tax assets:**

A deferred tax asset is recognised for all the deductible temporary differences and any unused tax losses are carried forward to the extent it is probable that taxable profit will be available in future against which the deductible temporary timing difference and the unused tax losses can be utilized. The management assumes that future taxable profits will be available while recognising deferred tax assets.

iv. **Recognition and measurement of other provisions:**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in provisions.

v. **Discounting of long-term financial liabilities:**

All financial liabilities are measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

vi. **Determination of element of lease in any arrangement:**

At the inception of an arrangement, the Company determines whether the arrangement is or contains an element of lease. Accordingly, in the case of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values. If the Company concludes any arrangement which is a lease and if it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's borrowing rate.

vii. **Revenue Recognition:**

Determination of estimated cost to complete the contract is required for computing revenue as per Ind AS 115 on 'Revenue from contracts with customers'. Such estimates are revised periodically.

5. PROPERTY, PLANT AND EQUIPMENT (PPE)

Measurement at recognition

i. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

ii. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed in each financial year and adjusted prospectively, if appropriate.

iii. Property, plant and equipment (except freehold land) are stated at cost of acquisition less accumulated depreciation and impairment if any. For this purpose, cost consists of purchase costs and includes taxes, duties, freight and other incidental expenses incurred for bringing the assets to the working condition for their intended use. It also includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. In respect of major projects involving construction related pre-operational expenses form part of the value of assets capitalised. Freehold land is carried at historical cost. Spares purchased along with PPE are capitalized and depreciated over the estimated useful life of that asset.

iv. An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

Capital Work-in-Progress and Capital Advances

Cost of Assets not ready for intended use, as on the Balance Sheet date is shown as Capital Work-in-Progress. Advances given towards acquisition of Fixed Assets outstanding at each Balance Sheet date are classified and disclosed as Other Non-Current Assets.

6. DEPRECIATION

i. Depreciation on property, plant and equipment is provided on the straight line method over the useful lives of assets as specified in Schedule II of the Companies Act, 2013.

ii. Property, plant and equipment acquired with financial assistance from Government are stated at cost and are depreciated over the life of the asset and the depreciation thereto is charged every year in the Statement of Profit and Loss. The financial assistance received is treated as government assistance and the amount equivalent to depreciation is credited to Statement of Profit and Loss.

iii. Plant, machinery, equipment and fixtures provided to the Company free of cost under any agreement are valued at market value if such plant, machinery, equipment and fixtures are new, or at the written down value to the donor, if they are used. The value so determined is taken in the books as the original cost to the Company. Corresponding credit is given to "Capital Reserve Account".

iv. Expenses on administration and supervision in respect of expansion facilities/new projects, which are carried on concurrently with production of the existing Operating Divisions, are charged to the revenue. However, administrative and general overheads which are specifically attributable to the construction of a project or acquisition of fixed assets are charged to respective capital assets and depreciated as per the Companies Act, 2013.

v. Any additions to property, plant and equipment during the year valuing individually Rs 5000/- or less and purchase of mobile phone for official use is fully depreciated and charged to Statement of Profit & Loss.

vi. Depreciation is calculated on straight-line basis at the rates arrived at based on the useful lives prescribed in Schedule II of the Companies Act, 2013 which are as follows:

Asset Description	Life of the asset (in years)
1. Buildings	
-Factory Building	30
-Other Civil Construction	30
2. Plant and Machinery	
-Plant & Machinery-Ship lift	15
-Plant & Machinery-Sub Station	15
-Capital Dredging	15
-Slipways	15
3. Furniture and Fixtures	10
4. Vehicles	8
5. Office Equipment	5
6. Servers and Networks	6
7. Medical Equipment	10-15
8. Steam Launches & Boats	15
9. Computers	3
10. Electrical Installation & Equipments	10

The Company follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the course of a year. Leasehold assets are amortised over the period of lease or useful life whichever is less. The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

7. INTANGIBLE ASSETS

Intangible assets acquired separately are measured at cost on initial recognition. Thereafter they are carried at cost less any accumulated amortization and accumulated impairment losses.

Software cost is capitalized where it is expected to provide future enduring economic benefits and amortized on a straight-line basis over a period of five years or over a period of their useful life whichever is less. Capitalization costs include license fees and costs of implementation/ system integration services. The costs are capitalized in the year in which the relevant software is implemented for use.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognized as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

8. IMPAIRMENT OF NON FINANCIAL ASSETS

The Company reviews property, plant and equipment and intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In addition, intangible assets not yet available for use are subject to an annual impairment test. Impairment testing of property, plant & equipment and other intangible assets involve the use of estimates in determining the recoverable amount of the asset which can have a material impact on the respective value and ultimately the amount of any impairment.

9. GOVERNMENT GRANTS

Government grants of revenue nature are recognized as a deduction from the related expenses. The grant is recognised when there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received.

Government grants related to assets, including non-monetary grants at fair value, are presented in the Balance Sheet by treating the grant as Deferred Income. The grant is treated as Deferred Income and is recognized in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

Government assistance relating to the purchase/ construction of property, plant and equipment are included in non-current liabilities as Deferred Income and are credited to Statement of Profit and Loss Account on a straight-line basis over the expected lives of the related assets.

10. LEASES

Ind AS 116 introduced a uniform lease accounting model. On applying the model, a lessee is required to recognise a right-of-use asset representing the lessee's right to use the underlying asset and a financial liability representing the lessee's obligation to make future lease payments. There are exemptions for short-term leases and leases of low-value assets. Lessor accounting remains comparable to that provided by the existing Leases Standard and hence lessors will continue to classify their leases as operating leases or finance leases.

The Company adopted the Standard Ind AS 116 for accounting period beginning on or after April 1, 2019 using retrospective method and therefore the cumulative effect of adopting Ind AS 116 has been recognised by way of adjustment to the opening balance of retained earnings with restatement of comparative information.

Identifying a lease

Under Ind AS 116, the Company assesses whether a contract is or contains a lease based on the definition of a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a specified period of time in exchange for consideration.

The determination of lease pursuant to Ind AS 17 and Appendix C of Ind AS 17 for determining whether an arrangement contains a Lease is maintained for existing contracts.

As a lessee

Under Ind AS 116, the Company recognizes "right-of-use assets" and lease liabilities for its leases. Leases which were classified as operating leases

under Ind AS 17 are now recognized in the Balance Sheet. Non-cancellable period (if only the lessor has a right to terminate a lease), periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option, periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. Lease terms begin at the commencement date and include any rent free period.

Extension and termination options are taken into account on recognition of the lease liability, if the Company is reasonably certain that these options will be exercised in the future.

As a general rule, the Company recognizes non-lease components such as services separately from lease payments. Non-lease components are identified and accounted for separately from the lease component in accordance with other Ind AS.

When applying Ind AS 116 for the first time, the Company has used the following practical expedients for leases previously classified as operating leases under Ind AS 17:

- To apply a single discount rate to a portfolio of leases with reasonably similar characteristics.
- The right-of-use to the leased asset has generally been measured at the amount of the lease liability, using the discount rate at the commencement of lease. Where accrued lease liabilities existed, the right-of-use asset has been adjusted by the amount of the accrued lease liability under Ind AS 116. At initial application of Ind AS 116, the measurement of the right-of-use does not include initial direct costs. In some cases, the value of right-of-use assets may differ from the value of the liabilities due to offsetting against existing provisions or as a result of valuation allowances. Initial direct costs have been excluded from the measurement of the right-of-use asset for all leases entered into or modified before April 1, 2019.
- Not to apply the new recognition requirements to short-term leases and to leases of low value assets as soon as the new standard is effective.
- Leases with a determined lease term of less than 12 months remaining from April 1, 2019 have been treated as short term.
- The definition of a lease in accordance with Ind AS 17 will continue to be applied to lease contracts entered by the Company or modified by the Company before April 1, 2019 as per Appendix C of Ind AS 116. On transition, the Company has not reassessed contracts which were not identified as leases under Ind AS 17.

Availing exemption by the Company

- Furthermore, the Company has also elected to make use of the following exemptions provided by Ind AS 116:

  Leases with a determined lease term of 12 months or less from the commencement of the lease will be treated as short term and therefore not included in the right-of-use asset or lease liability. Instead, lease costs will be recognized on a straight line basis across the life of the lease.

  The Company's operating leases mainly relate to real estate assets. The most significant impact identified by the Company relates to its operating leases of real estate assets (such as land, warehouses, storage facilities and offices).

  For leases that were classified as finance leases under Ind AS 17, the Company did not change the carrying amount of the right-of-use asset and the lease liability as of March 31, 2019, measured under Ind AS 17.

As a lessor

Lease income from operating leases entered into by the Company where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

11. BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

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

12. INVENTORIES

Inventories other than work-in-progress arising under construction contract are valued at cost, weighted average cost, net realisable value, lower of cost and net realisable value as the case may be as follows:

i. Raw materials are valued at cost and stores & general spare parts are valued at weighted average cost.

ii. Equipment procured for specific projects are valued as per specific identification method.

iii. Scrap held at the end of each accounting period is valued at net realizable value.

iv. Inventory in transit are valued at cost.

v. Obsolete, slow moving and defective inventories not moved for over 3 years are identified at the time of physical verification and wherever necessary, provision is made for such inventories.

vi. Cost of inventories comprises of purchase cost, conversion and other cost incurred in bringing them to the present location and condition.

13. CONTRACT ASSETS & LIABILITIES

Contract Asset

Contract Asset denotes the Company's right for consideration in exchange for goods or services that the company has transferred to a customer, when that right is conditioned on something other than the passage of time (for example, the entity's future performance).

Contract Liability

Contract Liability denotes the company's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer.

Shipbuilding & Other Construction/Repair Contract

Ships under construction are long term contracts which extend for more than one year, where Profit be reliably measured and valued in the following manner:

At costs incurred up to the reporting date plus profits are recognized under percentage completion method in proportion to the actual costs incurred bear to the estimated total cost to completion as on that date or,

Where, however, estimates of total contract costs indicate a loss at the beginning of the contract or during the currency of implementation of the contract, provision is made for the entire loss on the contract, irrespective of the amount of work done, by reducing the value of the work-in-progress immediately in the accounting period in which loss is noticed.

Materials with contractors

Materials, if any, held by the contractors for processing are treated as part of work-in-progress.

14. FINANCIAL ASSETS

Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition. In the case of financial assets not recorded at fair value through profit or loss, they are recognized at transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified using the following measurement categories:

– To be measured subsequently at fair value (either through other comprehensive income or through profit and loss), and;

– To be measured at amortised cost

I. Trade Receivables:

a. Trade receivables are recognized at fair value on initial recognition and subsequently measured at amortised cost using effective interest method, less provision for impairment wherever applicable.

b. Provision for bad and doubtful debts is based on the simplified approach of impairment of trade receivables permitted by Ind AS 109. Financial instruments which requires expected lifetime losses to be recognized are done accordingly and provision is generally made for debts outstanding for more than three years, excepting those which are contractually not due as per the terms of the contract or those which are considered realizable based on a case to case review.

c. Full provision is made for all debts considered doubtful of recovery having regard to the following considerations:

– Debts outstanding to be received from the Government / Government Departments / Government Companies are generally not treated as doubtful debts irrespective of the period for which they are outstanding.

– Where debts are disputed in legal proceedings, provision is made if any decision is given against the Company even if the same is taken up on appeal to higher authorities / courts.

II. Investments:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as 'at fair value through profit and loss' (FVTPL) and all changes are recognized in the Statement of Profit and Loss.

All other equity instruments are classified 'at fair value through Other Comprehensive Income' (FVTOCI). Fair value changes on the instrument, excluding dividends, are recognised in the Other Comprehensive Income. There is no recycling of the amounts from Other Comprehensive Income to Profit or Loss.

III. Cash and Cash Equivalent

For the purpose of presentation in the Statement of Cash Flow, cash and cash equivalents includes cash in hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk to changes in value. Bank overdrafts are shown within borrowings in Current Liabilities in the Balance Sheet.

15. FINANCIAL LIABILITIES

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as Financial Liabilities at Fair Value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized at fair value on initial recognition and in the case of loans, borrowings and payables, net of directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the amortisation of effective interest.

16. REVENUE RECOGNITION

The Ministry of Corporate Affairs ("MCA") has notified on March 28, 2018 the Ind AS 115, "Revenue from Contract with Customers". The standard replaces erstwhile revenue recognition standards Ind AS 11 Construction Contracts and Ind AS 18 Revenue. The Company has adopted Ind AS 115 from April 1, 2018 using the cumulative catch up approach.

i. Ship construction & Repair Contracts:

Ship Construction Contract are long term construction contract which involve the transfer of property in goods and Ship Repair contracts are generally short duration contract of less than 12 months involving mainly rendering of services and any transfer of goods involved is only secondary. In both categories of the contract, the performance obligation is executed over a period of time. Accordingly, the revenue from Ship Construction / Ship Repair Contracts is recognized when (or as) the Company satisfies performance obligations as per the Contract over a period of time.

Assets is transferred when (or as) a performance obligation is satisfied over time and revenue is recognized on percentage of completion method, if one of the following criteria is met:

a. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;

b. The Company's performance creates or enhances an asset (for example, work-in -progress) that the customer controls as the asset is created or enhanced; or

c. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

When the control of the produced good and/or services rendered is transferred over time to the customer, revenue is recognized over time (i.e. under the percentage of completion method).

For the application of the over the time method (PoC method), the measure of the progress of the completion of performance obligations is based on inputs method (i.e. cost incurred).

Fixed Price Contract:

Revenues from construction contracts with customers are recognized over the time using input method i.e. by comparing the actual costs incurred to the total estimated costs anticipated for the entire contract. Such estimates are revised periodically.

Contract with Uncertain/Negative Results:

When it is probable that total contract costs will exceed total contract revenue, the entire expected loss is recognized as an expense immediately. When the outcome of a construction / repair contract cannot be reliably estimated, contract revenue is recognized only to the extent of contract cost incurred that are likely to be recoverable. Recognition of the profit element is postponed.

Revenue from supply of Base & Depot (B&D) spares:

Revenue from supply of B&D spares is recognized based on performance obligation satisfied at a point in time based on proof of receipts of goods issued by the customers.

ii. Other operating revenue:

Other operational revenue represent income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

iii. Interest income:

For all investments made by the Company, interest income is recorded using the Effective Interest Rate (EIR). Interest income is included in finance income in the Statement of Profit and Loss. Interest income is accrued at applicable interest rate.

iv. Other items of income:

a. Additional revenue, in respect of contracts completed in earlier years, is accounted for as contract revenue in the year in which such revenue materializes.

b. Value of free supply items are not booked to job/work-in-progress except in the cases permitted by the contracts. However, value added thereon is taken to Value of Production and in Sales.

c. Other items of income are accounted as and when the right to receive arises.

v. Others:

Credit notes issued to customers are treated as reduction of sales for the year in which they are issued.

17. EMPLOYEE BENEFITS

A. Defined contribution plans

i. **Provident Fund**: The Company's contribution to the recognized Provident Fund paid / payable during the year is debited to the Statement of Profit and Loss. The PF contribution of the employer and employees is remitted to the office of the Regional Provident Fund Commissioner.

ii. **Voluntary Retirement Scheme**: Actual disbursement made under Voluntary Retirement Scheme is charged to revenue in the year of payment.

iii. **Superannuation Scheme**: The Company's Liability towards Defined Contribution Superannuation Scheme is remitted to a separate Trust Fund, the corpus of which is invested with IRDA approved Insurance Company/ Companies as decided by the Trustees. Such amounts are charged to Statement of Profit and Loss in the respective financial years.

iv. **Post-retirement Medical Scheme**: The Company's Liability towards defined contribution scheme in respect of Post-Retirement Medical facilities are covered by way of a Group Mediclaim Policy availed for the purpose in the financial year and is

charged to Statement of Profit and Loss by way of requisite Provision as per the scheme and the annual premium of which is met out of the provision created as above.

B. Defined benefit plans:

i. **Gratuity**: Liability for gratuity is determined annually by actuarial valuation as per Ind AS 19 – Employee Benefits, and is being remitted to a separate Trust. The Company accounts for the net present value of its obligations for gratuity benefits based on an independent external actuarial valuation determined on the basis of the projected unit credit method carried out annually. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

ii. **Leave encashment**: Liability in respect of earned leave unavailed by the employees as at the end of the year is provided for on the basis of actuarial valuation as per Ind AS 19 – Employee Benefits.

Under Ind AS 19, net interest cost is determined by multiplying the net defined benefit liability and fair value of plan asset by the discount rate specified, both as determined at the start of the annual reporting period, taking into account, any changes in the net defined benefit liability and asset during the period as a result of contribution and benefit payments. Cost on account of this is included as employee benefit expense in the Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in Statement of Profit and Loss as past service cost. Re-measurement gains and losses arising from changes in actuarial assumptions and experience adjustments are recognized in the period in which they occur, directly in other comprehensive income.

18. PRIOR PERIOD ADJUSTMENT/ RECLASSIFICATION

Material Prior period errors and reclassification are corrected retrospectively by restating the comparative amounts for prior periods presented in which the reclassification is required/ error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

19. FOREIGN CURRENCY TRANSACTIONS & DERIVATIVES

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Indian Rupees ("INR"), which is the functional currency and presentation currency of the Company.

A. Foreign Currency Transactions:

Foreign exchange transactions are recorded at the functional currency adopting the exchange rate prevailing on the dates of respective transactions. Monetary assets and liabilities denominated in foreign currencies existing as on the Balance Sheet date are translated at the functional currency exchange rate prevailing as at the Balance Sheet date.

The exchange difference arising from the settlement of transactions during the period and effect of translations of assets and liabilities at the Balance Sheet date are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates as at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or profit or loss respectively).

If the liabilities are on account of procurement of capital assets, the differences due to exchange variation are included in the cost of the respective capital assets.

B. Derivative instruments and hedge accounting:

i. The Company uses foreign currency derivative contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecasted transactions. The Company designates these as cash flow hedges applying the recognition and measurement principles set out in the Ind AS 109– Financial Instruments.

ii. The use of foreign currency derivative contracts is governed by the Company's policies approved by the Board of Directors which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy. The Company does not use derivative financial instruments for speculative purposes.

iii. Foreign currency derivative instruments are initially measured at fair value and are re-measured at subsequent reporting dates. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss, except for the effective portion of cash flow hedges, which is recognised in Other Comprehensive Income in the cash flow hedge reserve and later reclassified to profit or loss when the hedge item affects profit or loss. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as Other Comprehensive Income are transferred to the initial carrying amount of the non-financial asset or liability.

iv. Hedge accounting is discontinued when the hedge instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. If a hedged transaction is no longer expected to occur, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

20. SEGMENT REPORTING

Ship Construction, Ship Repairs and General Engineering are considered as Reportable Segments for the purpose of Segment Reporting. For the ongoing projects and completed projects value of production is reported as segment revenue. Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result. Income and expenditure not allocable to segments are included under "Net of unallocable Income/ Expenses". Assets and liabilities of the Company are used jointly by all the segments. Accordingly, there is no segment-wise bifurcation of assets and liabilities.

The Company is engaged in the production of defence equipment and was exempted from Segment Reporting vide notification S.O.802(E) dated February 23, 2018 by amending notification no G.S.R 463(E) dated June 5, 2015. In view of the above, no disclosure is made separately by the Company on Operating Segment under Ind AS 108.

21. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognised if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are not recognised but disclosed in the financial statements when economic inflow is probable.

22. PROVISION FOR WARRANTY

Provision for Warranty related costs are recognised in terms of the Contract after the product is sold or services are rendered to the Customers. Initial recognition is based on the historical experience. The estimate of warranty related cost are revised periodically. The percentage of provision is determined as per the past practices followed by the Company.

23. EARNINGS PER SHARE

Basic Earnings per Share are computed by dividing Profit After Tax by number of paid up Equity Shares at the end of the period. Diluted Earnings per share is computed by dividing Profit After Tax by number of paid up Equity Shares and Equity Shares that could

have been issued upon conversion of all dilutive equity shares.

24. INCOME TAX

i. **Current Tax:** Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 as amended from time to time.

ii. **Deferred Tax:** Deferred tax is recognized on timing difference, being difference between taxable income and accounting income for the year, that originate in one period and are capable of reversal in one or more subsequent periods and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

iii. Deferred Income Tax is provided in full, using the liabilities method, on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statement. Further Deferred Income Tax is not accounted if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

iv. Deferred Income Tax is determined using tax rates and laws, that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

v. Deferred tax assets are recognized and carried forward to the extent there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

25. DIVIDEND TO EQUITY SHAREHOLDERS

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

26. RESEARCH AND DEVELOPMENT

Capital expenditure on research and development is included in Property, Plant and Equipment (PPE) and revenue expenditure is charged to Profit & Loss Account in the year in which it is incurred.

27. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social responsibility (CSR) expenditure is charged to the Statement of Profit & Loss in the period in which it is incurred, except to the extent the Company decides to carry forward any amount in excess of the minimum required CSR expenditure for adjustment in future years in terms of Sec 135(5) of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

28. ROUNDING OFF AMOUNTS

All amounts disclosed in the financial statement and notes have been rounded off to the nearest lakh with two decimals as per the requirement of Schedule III of the Companies Act, unless otherwise stated.

NOTES ON BALANCE SHEET ITEMS

NOTE 2.1: PROPERTY, PLANT & EQUIPMENT (PPE)

(₹ in Lakhs)

	Particulars of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01-04-2022	Additions during the period	Deductions/ adjustments	As at 31-03-2023	As at 01-04-2022	Depreciation for the period	Deductions/ adjustments	As at 31-03-2023	As at 31-03-2023	As at 31-03-2022
A	**PROPERTY, PLANT & EQUIPMENT**										
	Freehold Land	737.18	-	-	737.18	-	-	-	-	737.18	737.18
	Buildings & Other Civil Constructions	69,665.92	17,764.65	50.95	87,379.62	15,300.54	2,616.44	15.33	17,901.65	69,477.97	54,365.38
	Plant & Machinery	41,026.41	2,986.37	29.40	43,983.38	22,704.02	2,697.74	3.84	25,397.92	18,585.46	18,322.39
	Capital Dredging	1,278.92	-	-	1,278.92	947.41	89.23	-	1,036.64	242.28	331.51
	Slipways	143.48	-	-	143.48	143.48	-	-	143.48	-	-
	Furniture & Fixtures	1,121.75	669.07	10.40	1,780.42	933.43	69.50	5.52	997.41	783.01	188.32
	Office Equipment	1,164.43	816.97	3.48	1,977.92	646.39	256.21	1.47	901.13	1,076.79	518.04
	Medical Equipment	29.41	-	-	29.41	11.36	1.98	-	13.34	16.07	18.05
	Electrical Installation & Equipments	690.17	5,314.42	-	6,004.59	44.36	226.68	-	271.04	5,733.55	645.81
	Computers	1,348.46	40.09	-	1,388.55	1,303.23	33.45	-	1,336.68	51.87	45.23
	Server & Network	80.41	95.55	-	175.96	23.15	16.16	-	39.31	136.65	57.26
	Motor Cars & Vehicles	265.32	27.89	-	293.21	228.95	9.50	-	238.45	54.76	36.37
	Steam Launches & Boats	799.96	-	-	799.96	791.55	1.68	-	793.23	6.73	8.41
	Total	**118,351.82**	**27,715.01**	**94.23**	**145,972.60**	**43,077.87**	**6,018.57**	**26.16**	**49,070.28**	**96,902.32**	**75,273.95**
B	**R & D ASSETS**										
	R & D Assets	552.02	-	-	552.02	547.23	4.00	-	551.23	0.79	4.79
	R & D Assets (from 2019-20)	74.64	-	-	74.64	24.88	14.09	-	38.97	35.67	49.76
	Total R&D Assets	**626.66**	**-**	**-**	**626.66**	**572.11**	**18.09**	**-**	**590.20**	**36.46**	**54.55**
	TOTAL (A+B)	**118,978.48**	**27,715.01**	**94.23**	**146,599.26**	**43,649.98**	**6,036.66**	**26.16**	**49,660.48**	**96,938.78**	**75,328.50**
	Previous Year	**112,770.24**	**6,248.16**	**39.92**	**118,978.48**	**38,200.43**	**5,480.69**	**31.14**	**43,649.98**	**75,328.50**	**74,569.81**
C	**INTANGIBLE ASSETS**										
	Software & Licence	369.82	282.15	-	651.97	282.97	45.33	-	328.30	323.67	86.85
	TOT Licence	11.10	-	-	11.10	5.33	2.22	-	7.55	3.55	5.77
	Total Intangible Assets	**380.92**	**282.15**	**-**	**663.07**	**288.30**	**47.55**	**-**	**335.85**	**327.22**	**92.62**
	Previous Year	**342.09**	**38.83**	**-**	**380.92**	**254.30**	**34.00**	**-**	**288.30**	**92.62**	**87.79**

(₹ in Lakhs)

	Particulars of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01-04-2022	Additions during the period	Deductions/ adjustments	As at 31-03-2023	As at 01-04-2022	Depreciation for the period	Deductions/ adjustments	As at 31-03-2023	As at 31-03-2023	As at 31-03-2022
D	**ASSETS FUNDED BY CUSTOMER (INCLUDED IN PPE ABOVE)**										
	Buildings & Other Civil Construction	40,916.25	12,378.58	35.62	53,259.21	8,411.43	1,523.38	-	9,934.81	43,324.40	32,504.82
	Plant & Machinery	26,931.38	1,220.69	25.56	28,126.51	13,820.79	1,927.88	-	15,748.67	12,377.84	13,110.59
	Capital Dredging	1,107.13	-	-	1,107.13	852.03	82.30	-	934.33	172.80	255.10
	Furniture & Fixtures	110.99	603.03	-	714.02	38.75	40.04	-	78.79	635.23	72.24
	Office Equipment	768.13	96.92	1.70	863.35	330.35	162.64	-	492.99	370.36	437.78
	Electrical Installation & Equipments	690.17	3,239.61	-	3,929.78	44.36	193.34	-	237.70	3,692.08	645.81
	TOTAL	**70,524.05**	**17,538.83**	**62.88**	**88,000.00**	**23,497.71**	**3,929.58**	**-**	**27,427.29**	**60,572.71**	**47,026.34**
	NOTE 2.2: ROU ASSETS*										
	Land	162.10	-	-	162.10	35.87	11.96	-	47.83	114.27	126.23
	Building	605.20	-	-	605.20	202.10	89.32	-	291.42	313.78	403.10
	Total ROU Assets	**767.30**	**-**	**-**	**767.30**	**237.97**	**101.28**	**-**	**339.25**	**428.05**	**529.33**
	Previous Year	**353.73**	**413.57**	**-**	**767.30**	**150.86**	**87.11**	**-**	**237.97**	**529.33**	**202.87**

a. Building of property, plant and equipment includes Rs 67 lakhs (Original Cost) for Shipyard House of New Delhi being one third share in the property jointly held by Goa Shipyard Limited, Mazagon Dock Shipbuilders Ltd. and Garden Reach Shipbuilders & Engineers Ltd.

b. Refer note 2.47 for disclosure on IND AS 116 Leases.

c. *ROU Assets denotes Right-of-Use-of-Assets

NOTE 2.3: CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	As at 31-03-2023		As at 31-03-2022	
Opening Balance	33,261.16		28,772.04	
Add: Expenditure during the period	5,771.73		11,006.04	
Less: Amount reclassified to inventory	-		229.93	
	39,032.89		39,548.15	
Less: Capitalisation during the period	27,997.15	11,035.74	6286.99	33,261.16
Total		**11,035.74**		**33,261.16**

The Capital Work-in-Progress includes:

The Government of India approved GSL Modernisation Programme was divided into 5 phases (1, 2, 3A, 3B & 4) with a total outlay of Rs 1,398 Cr out of which Rs 880 Cr is through Government Assistance and the balance Rs 518 Cr from internal resources. As on the reporting date, Rs 1,289.81 Cr has been capitalised and the balance Rs 108.19 Cr will be capitalised in FY 2023-24 which is included in the above mentioned closing Capital Work-in-Progress including civil works of Rs 110.36 Cr.

Ageing for Capital Work-in-Progress

Periods	As at 31-03-2023	As at 31-03-2022
Less than 1 year	3,922.88	10,632.79
1-2 years	6,247.74	8,812.54
2-3 years	270.34	7,531.31
More than 3 years	594.78	6,284.52
Total	**11,035.74**	**33,261.16**
Capital Work-in-Progress to be completed in		
Less than 1 year	11,035.74	**33,261.16**
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**11,035.74**	**33,261.16**

NOTE 2.4: LOANS (NON CURRENT)

Particulars	As at 31-03-2023		As at 31-03-2022	
1. Loans to Employees (Secured by way of hypothecation)	100.47		103.74	
Less: Current maturities of loan to employees (as per contra - 2.11.1)	20.51	79.96	22.18	81.56
2. Loans to Employees				
Unsecured and considered good	6.18		7.21	
Less: Current maturities of loan to employees (as per contra - 2.11.2)	2.37	3.81	2.77	4.44
3. License and Tech doc fees 1241RE*	1,454.30		1,454.30	
Less: Amount received included under Advances received from Customers (as per contra - 2.28.1)	1,454.30	-	1,454.30	-
		83.77		**86.00**
Less: Allowances for bad and doubtful loans		-		-
Total		**83.77**		**86.00**

* License and Tech documentation (doc) fees 1241RE represents pro-rata unexpired licensed technical document fees paid to USSR for 5 number of Missile Boats for Indian Navy for which the amount has been reimbursed by the Customer.

Loans receivables considered good - secured	79.96	81.56
Loans receivables considered good - unsecured	3.81	4.44
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - Credit impaired	-	-
	83.77	**86.00**
Less: Allowances for bad and doubtful loans	-	-
Total	**83.77**	**86.00**

NOTE 2.5: OTHERS FINANCIAL ASSETS (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at 31-03-2023	As at 31-03-2022
1. Fixed Deposit with remaining maturity more than 12 months	-	3,301.37
2. Security Deposit and Earnest Money Deposit paid	26.26	27.81
3. Other Receivables	10.91	10.91
Total	**37.17**	**3,340.09**

NOTE 2.6: OTHER NON-CURRENT ASSETS

Particulars	As at 31-03-2023		As at 31-03-2022	
1. GST Input Credit & Payments	10,287.38		4,449.14	
Less: Current amount re-classfied (as per contra - 2.15.1)	10,287.38	-	4,449.14	-
2. Balances with Government Dept. & Tax authorities		110.46		319.75
3. Prepaid Rent	31.40		37.54	
Less: Lease liability towards prepaid rent adjusted (as per contra - 2.18)	21.47		27.09	
	9.93		10.45	
Less: Amount shown in current maturities (as per contra - 2.15.3)	9.93	-	10.45	-
Total		**110.46**		**319.75**

NOTE 2.7: INVENTORIES

Particulars	As at 31-03-2023		As at 31-03-2022	
Raw Materials, Stores & Spares				
a) Stores in Hand	158.52		4,811.99	
b) Stock in Transit	11,269.48	11,428.00	-	4,811.99
Total		**11,428.00**		**4,811.99**

NOTE 2.8: TRADE RECEIVABLES (CURRENT)

Particulars	As at 31-03-2023		As at 31-03-2022	
(Unsecured, considered good unless otherwise specified)				
1. Trade Receivables	1,670.15		1,999.63	
2. Trade Receivables from related parties (refer note - 2.48(b)(3))				
i. Trade Receivables from related parties -Due	15,784.04		5,455.86	
ii. Trade Receivables from related parties -Not Due	-	17,454.19	13,320.12	20,775.61
Less: Provision for loss allowance		580.90		1,822.53
Total		**16,873.29**		**18,953.08**
Trade receivables considered good - secured		-		-
Trade receivables considered good - unsecured		16,873.29		18,953.08
Trade receivables which have significant increase in credit risk#		580.90		1,822.53
Trade receivables - Credit impaired		-		-
		17,454.19		**20,775.61**
Less: Provision for loss allowance		580.90		1,822.53
Total		**16,873.29**		**18,953.08**

During the year, out of the earlier years Provision for Bad and Doubtful Debts, unrealisable Trade Receivable amounting to Rs 1,205.58 lakhs have been written off as Bad Debts. Further, out of earlier provisions, an amount of Rs 46.85 lakhs has been realised from customer and additional provision of Rs 10.81 lakhs has been created.

(₹ in Lakhs)

Ageing for trade receivables – current outstanding as at March 31, 2023 is as follows:

Outstanding for following periods from due date of payment	Undisputed trade receivables			Disputed trade receivable
	considered good	significant increase in credit risk	credit impaired	
Not due	-	-	-	-
Less than 6 months	5,877.43	-	-	-
6 months - 1 year	478.32	-	-	-
1-2 years	6,855.32	3.76	-	-
2-3 years	3,427.82	-	-	-
More than 3 years	234.40	577.14	-	-
Total	**16,873.29**	**580.90**	**-**	**-**

Ageing for trade receivables – current outstanding as at March 31, 2022 is as follows:

Outstanding for following periods from due date of payment	Undisputed trade receivables			Disputed trade receivable
	considered good	significant increase in credit risk	credit impaired	
Not due	13,320.12	-	-	-
Less than 6 months	4,273.73	-	-	-
6 months - 1 year	959.32	-	-	-
1-2 years	152.58	62.89	-	-
2-3 years	234.40	92.83	-	-
More than 3 years	12.93	1,666.81	-	-
Total	**18,953.08**	**1,822.53**	**-**	**-**

NOTE 2.9: CASH AND CASH EQUIVALENTS

Particulars	As at 31-03-2023	As at 31-03-2022
1. Balances with Banks in current accounts	250.42	1,086.08
2. Fixed Deposits with original maturity less than 3 months	49,054.00	11,293.00
3. In Imprest Account	5.27	12.40
Total	**49,309.69**	**12,391.48**

Cash and Bank Balances include an amount of Rupee 1 (Previous year Rupee 1) being the token amount remaining after writing off an amount of Rs 1,95,991 in the year 1969-70 in respect of balance with Banco Nacional Ultramarino, Lisbon.

NOTE 2.10: OTHER BANK BALANCES

Particulars	As at 31-03-2023	As at 31-03-2022
Fixed Deposit with remaining maturity less than 12 months	3,20,259.27	2,44,397.00
Total	**3,20,259.27**	**2,44,397.00**

NOTE 2.11: LOANS (CURRENT)

Particulars	As at 31-03-2023	As at 31-03-2022
1. Loans to Employees (Secured by way of hypothecation) (as per contra - 2.4.1)	20.51	22.18
2. Loans to Employees (Unsecured) (as per contra - 2.4.2)	2.37	2.77
	22.88	**24.95**
Less: Allowances for bad and doubtful loans	-	-
Total	**22.88**	**24.95**
Loans receivables considered good - secured	20.51	22.18
Loans receivables considered good - unsecured	2.37	2.77
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - credit impaired	-	-
	22.88	**24.95**
Less: Allowances for bad and doubtful loans	-	-
Total	**22.88**	**24.95**

NOTE 2.12: OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Lakhs)

Particulars	As at 31-03-2023	As at 31-03-2022
1. Interest accrued but not due	7,359.47	5,107.62
2. Income accrued but not due	146.69	328.17
3. Receivable from Navy (1241RE)	9.90	40.47
4. Earnest money deposit paid	2.10	2.11
5. Subsidy Receivable from Govt #	680.00	-
6. Other Receivables	348.74	354.81
Total	**8,546.90**	**5,833.18**

Government of India approved a Financial Asistance Policy for Indian Shipyards on 09th December, 2015 for grant of financial assistance to Indian Shipyard for Ship Building Contract signed between April 01, 2016 to March 31, 2026. In accordance with the said approved Financial Assistance Policy, subsidy amounting to Rs 680 lakhs has been accounted during the year against the eligible respective vessels, out of which the Subsidy claim of Rs 85 lakhs has been submitted and balance claims amounting to Rs 595 lakhs will be lodged on fulfilling the Contratual Condition of Protocol of delivery and acceptance of the Vessel in FY 2023-24.

NOTE 2.13: CONTRACT ASSETS

Particulars	As at 31-03-2023		As at 31-03-2022	
Unbilled revenue	25,623.69		12,090.02	
Less: Amounts received from Customers (as per contra - 2.28.1)	6,348.52		2,916.20	
Contract Asset relating to Ship Construction, Ship Repairs, General Engineering Service		**19,275.17**		**9,173.82**
Loss allowance		-		-
Total		**19,275.17**		**9,173.82**

NOTE 2.14: CURRENT TAX ASSETS (NET)

Particulars	As at 31-03-2023		As at 31-03-2022	
Opening Balance	6,636.61		5,005.34	
Add: Advance taxes paid and tax deducted at sources (net of refunds)	6,451.42		5,272.12	
Add: Taxes pertaining to earlier years	212.84		109.15	
	13,300.87		10,386.61	
Less: Current tax expense for the year	4,750.00	**8,550.87**	3,750.00	**6,636.61**
Total		**8,550.87**		**6,636.61**

NOTE 2.15: OTHER CURRENT ASSETS

Particulars	As at 31-03-2023		As at 31-03-2022	
1. GST Input Credit & Payments (as per contra - 2.6.1)		10,287.38		4,449.14
2. Prepaid Expenses		1,248.09		1,164.49
3. Prepaid Rent (as per contra - 2.6.3)		9.93		10.45
4. Advance to Employees		6.10		8.38
5. Advance to Suppliers#				
Secured considered good (against Bank Guarantees)	57,668.60		54,342.13	
Unsecured considered good	670.42		769.38	
Unsecured considered doubtful	-		395.86	
	58,339.02		55,507.37	
Less: Provision for doubtful advances	-		395.86	
	58,339.02	58,339.02	55,111.51	55,111.51
Total		**69,890.52**		**60,743.97**

#During the year, Advance to Suppliers amounting to Rs 395.86 lakhs have been written off by adjusting the provision for doubtful advances created in earlier financial years.

NOTE 2.16: EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31-03-2023	As at 31-03-2022
1. Authorized:		
12,00,00,000 (Previous Year 12,00,00,000) Equity Shares of Rs 5/- each (Previous Year Rs 5/- each)	6,000.00	6,000.00
	6,000.00	**6,000.00**
2. Issued, Subscribed & Fully Paid-up:		
11,64,03,748 (Previous Year 11,64,03,748) Equity Shares of Rs 5/- each (Previous Year Rs 5/- each)	5,820.19	5,820.19
	5,820.19	**5,820.19**

3. Reconciliation of Issued and Fully Paid-up Shares:

Particulars	Number of Shares (in Lakhs)	Amount (₹ in Lakhs)	Number of Shares (in Lakhs)	Amount (₹ in Lakhs)
At the beginning of the year	1,164.04	5,820.19	1,164.04	5,820.19
Balance at the end of the period	1,164.04	5,820.19	1,164.04	5,820.19

During the FY 2016-17, the Company in compliance with the guidelines issued by DIPAM have splitted the face value of share from Rs 10/- per share to two shares of Rs 5/- each and has also issued Bonus Shares in the ratio of 1:1.

4. Details of shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder and Number of Shares	Percentage of Share holding	Amount (₹ in Lakhs)	Percentage of Share holding	Amount (₹ in Lakhs)
President of India 5,94,66,780 Equity Shares of Rs 5/- each	51.09%	2,973.34	51.09%	2,973.34
Mazagon Dock Shipbuilders Ltd. 5,49,57,600 Equity Shares of Rs 5/- each	47.21%	2,747.88	47.21%	2,747.88

Terms & Rights attached to Equity Shares: The Company has only one class of equity share having face value of Rs 5/- per share which is fully paid up. Equity shareholders are eligible for one vote per share held and are entitled to Dividend as and when declared by the Company.

There are no promoter shareholding for the Company.

NOTE 2.17: OTHER EQUITY

Particulars	As at 31-03-2023		As at 31-03-2022	
1. Capital Reserve:				
Balance as per last Balance Sheet		42.86		42.86
2. General Reserve:				
Opening balance	1,02,087.04		95,087.04	
Add: Movement during the year	5,600.00	1,07,687.04	7,000.00	1,02,087.04
3. Retained Earnings				
Opening Balance	6,933.13		8,918.29	
Profit for the year	15,454.32		10,109.19	
Particulars	**As at 31-03-2023**		**As at 31-03-2022**	
Other Comprehensive Income/(Loss) for the year	(5.65)		(147.19)	
	22,381.80		18,880.29	
Less Appropriations:				
Transfer to General Reserve	5,600.00		7,000.00	
Dividend paid during the year	5,645.58		4,947.16	
	11,245.58		11,947.16	
Closing Balance		11,136.22		6,933.13
Total		**1,18,866.12**		**1,09,063.03**

(a) The Company at its Annual General Meeting for the FY 2021-22 held on 29th September, 2022 declared a Final Dividend to the Equity Shareholders @ 22% per share (i.e. Rs 1.1/-) amounting to Rs 1,280.44 lakhs which was paid during FY 2022-23.

(b) During FY 2022-23, the Company declared and paid Interim Dividend of Rs 4,365.14 lakhs at the rate of Rs 3.75/- per equity share.

(c) Accordingly, the total Dividend paid during FY 2022-23 amounts to Rs 5,645.58 lakhs.

(d) Further to the Interim Dividend paid as mentioned at sl.no.(b) above, the Board has recommended Final Dividend @ 33% per share (i.e Rs.1.65/-) to the Equity Shareholders (previous year 22%), which works out to Rs 1,920.66 lakhs. This will be paid after approval by the Shareholders in the Annual General Meeting for FY 2022-23. The total Dividend for the financial year ended March 31, 2023 paid/proposed amounts to Rs 6,285.80 lakhs (including Interim Dividend of Rs 4,365.14 lakhs).

NOTE 2.18: LEASE LIABILITY (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at 31-03-2023		As at 31-03-2022	
Opening Balance	562.88		246.32	
Add: Lease liabilities created during the year	-		415.50	
Add: Interest Expenses on lease liabilities	44.88		23.99	
	607.76		685.81	
Less: Repayment of Lease Liabilities	125.14		122.93	
	482.62		562.88	
Less: Lease rent paid in advance (as per contra - 2.6.3)	21.47		27.09	
Less: Amount shown in current maturities of Lease Liabilities (as per contra - 2.24)	78.79	382.36	74.66	461.13
Total		**382.36**		**461.13**

NOTE 2.19: TRADE PAYABLE (NON-CURRENT)

Particulars	As at 31-03-2023		As at 31-03-2022	
Deferred payment liability to foreign supplier against supply of materials				
Deferred Liabilities (from foreign suppliers against supply of material)*	1,541.81		1,511.72	
Less: Amount shown in current maturities (as per contra - 2.25.2)	287.94	1,253.87	278.04	1,233.68
Amount receivable from Navy/Indian Govt towards deferred debts	1,541.81		1,511.72	
Less: Amount shown in current maturities (as per contra - 2.25.2)	287.94	1,253.87	278.04	1,233.68
Total		-		-

*Denotes the balance amount (at Fair Value) of deferred payment liability payable over 45 years without interest, in equal annual instalment of Rs 130 lakhs. The loan is equated to units of Special Drawings Rights (SDR) as per Inter Governmental Agreement between Govt of India and Russia. The loan amount has been revalued as on 31.03.2023 at the present rate of SDR (announced by RBI) w.e.f. 31.03.2023 which is Rs 110.3982 for 1 SDR (previous year Rs 106.6013 for 1 SDR).

NOTE 2.20: OTHER FINANCIAL LIABILITIES (NON-CURRENT)

Particulars	As at 31-03-2023		As at 31-03-2022	
1. Creditors for capital goods - Foreign supplier deferred credit	4.87		4.77	
Less: Amount shown in current maturities (as per contra - 2.26.3)	0.91	3.96	0.88	3.89
2. Differential Interest Liability (Exim Bank)	82.66		206.02	
Less: Amount shown in current maturities (as per contra - 2.26.5)	64.33	18.33	142.53	63.49
Total		**22.29**		**67.38**

NOTE 2.21: LONG-TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31-03-2023		As at 31-03-2022	
1. Provision for Leave Encashment	3,139.91		2,703.21	
Less: Current portion of leave encashment (as per contra - 2.29.2)	441.21	2,698.70	702.19	2,001.02
Total		**2,698.70**		**2,001.02**

NOTE 2.22: DEFERRED TAX (Net)

Particulars	As at 31-03-2023		As at 31-03-2022	
1. Deferred Tax Assets				
Provisions:				
Provision for Doubtful Debts	146.20		458.69	
Provision for Non-Recoverable Advances	-		99.63	
Provision for Guarantee Repairs	81.29		447.72	
Provision for Liquidated Damages	209.42		127.20	
Provision for Leave Encashment	790.25		680.34	
Provision for Contribution to PRMS	143.26		154.35	
Provision for PLI/PRP	152.84		46.56	
Provision for Lease Liability	13.73	1,536.99	8.44	2,022.93
2. Deferred Tax Liabilities				
Depreciation		2,710.22		2,686.58
Deferred Tax Liabilities/(Assets) (Net) Total		**1,173.23**		**663.65**

i. Deferred tax is recognized subject to the consideration of prudence on timing differences between the taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent period(s).

ii. Deferred tax assets are recognized only if there is reasonable certainty that there will be sufficient taxable income in the future from which these deferred tax assets can be realized.

NOTE 2.23: GOVERNMENT ASSISTANCE FOR INFRASTRUCTURE AUGMENTATION

Particulars	As at 31-03-2023		As at 31-03-2022	
Balance at the beginning of the year	64,502.27		48,955.26	
Add: Amount received during the period	-		19,000.00	
	64,502.27		67,955.26	
Less: Proportionate amount of deferred revenue credited to Statement of Profit and Loss	3,929.58		3,452.99	
	60,572.69		64,502.27	
Less: Current portion of Govt Assistance (as per contra - 2.28.2)	4,374.99	56,197.70	3,929.58	60,572.69
Total		**56,197.70**		**60,572.69**

Govt. of India has sanctioned Rs 880 Cr towards augmentation of infrastruture for modernisation programme. Against sanctioned and released amount of Rs 880 Cr, fixed assets amounting to Rs 705.24 Cr were capitalised upto 31.03.2022 and the balance amount of Rs 174.76 Cr capitalised during FY 2022-23. The above balance pertains to unamortised portion of Government Assistance as on 31.03.2023.

NOTE 2.24: LEASE LIABILITY (CURRENT)

Particulars	As at 31-03-2023	As at 31-03-2022
Current maturities of lease liabilities (as per contra - 2.18)	78.79	74.66
Total	**78.79**	**74.66**

NOTE 2.25: TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31-03-2023		As at 31-03-2022	
1. Trade Payables				
a. total outstanding dues of micro enterprises and small enterprises; and #		718.08		333.60
b. total outstanding dues of creditors other than micro enterprises and small enterprises	40,851.37		26,763.56	
Less: Creditor for Capital Goods (as per contra - 2.26.4)	300.06	40,551.31	11.41	26,752.15
2. Deferred Payment Liability against supply of materials payable within 12 months	287.94		278.04	
Less: Amount receivable from Navy/Indian Govt. towards deferred debts (as per contra - 2.19)	287.94	-	278.04	-
Total		**41,269.39**		**27,085.75**

None of the above amount is due beyond period of 45 days. No interest has been paid/payable during the year by the Company to the suppliers covered under the Micro, Small, Medium Enterprises Development Act, 2006. The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the Company. The outstanding amount of MSMEs as on March 31, 2023 has been paid between April 01, 2023 to May 15, 2023.

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Outstanding for following periods from due date of payment	Undisputed dues		Disputed Dues	
	MSME	Others	MSME	Others
Less than 1 year	718.08	16,014.39	-	-
1-2 years	-	507.41	-	-
2-3 years	-	304.31	-	-
More than 3 years	-	475.00	-	-
Total	**718.08**	**17,301.11**	**-**	**-**
Accrued Expenses	-	23,250.20		
Total	**718.08**	**40,551.31**		

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

Outstanding for following periods from due date of payment	Undisputed dues		Disputed Dues	
	MSME	Others	MSME	Others
Less than 1 year	333.60	3,795.00	-	-
1-2 years	-	608.15	-	-
2-3 years	-	377.42	-	-
More than 3 years	-	586.03	-	-
Total	**333.60**	**5,366.60**	**-**	**-**
Accrued Expenses	-	21,385.55		
Total	**333.60**	**26,752.15**		

NOTE 2.26: OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Lakhs)

Particulars	As at 31-03-2023		As at 31-03-2022	
1. Unclaimed Dividend		7.12		6.33
2. Earnest Money Deposit & Other Payable		567.52		806.02
3. Creditors for capital goods - Foreign supplier deferred credit (as per contra - 2.20.1)		0.91		0.88
4. Creditors for capital goods - Others (as per contra - 2.25.1)		300.06		11.41
5. Differential Interest Liability for Exim Bank (as per contra - 2.20.2)		64.33		142.53
6. Other Liabilities	1,026.17		1,026.17	
Less: Payable to Shoft Shipyard deposited with High Court	1,026.17	-	1,026.17	-
7. Interest & Expenses on Arbitration Award on Shoft Shipyard #		5,596.24		5,596.24
8. Liability for Wages and related Liabilities		1,603.13		1,619.98
Total		**8,139.31**		**8,183.39**

Interest and Expenses on Arbitration Award of M/s Shoft Shipyard Private Limited was deposited by way of Bank Guarantee as directed by the Hon'ble High Court of Bombay at Goa, Panjim which is shown under "Guarantee and Counter Guarantees" at note no. 2.45.1 (b)(ii).

NOTE 2.27: CONTRACT LIABILITY

Particulars	As at 31-03-2023		As at 31-03-2022	
Advance received towards Ongoing Contracts (as per contra - 2.28.1)	4,83,661.88		3,24,959.92	
Less: Unbilled revenue	1,38,878.82		89,636.54	
Contract Liabilities relating to Ship Construction, Ship Repairs, General Engineering Service		**3,44,783.06**		**2,35,323.38**
Loss allowance		-		-
Total		**3,44,783.06**		**2,35,323.38**

NOTE 2.28: OTHER CURRENT LIABILITIES

Particulars	As at 31-03-2023		As at 31-03-2022	
1. Advances Received from Customers	5,16,504.90		3,46,653.94	
Less: (i) Amount received towards License & Tech doc fees 1241RE (as per contra - 2.4.3) #	1,454.30		1,454.30	
Less: Amount received towards Ongoing Contract Assets (as per contra -2.13)	6,348.52		2,916.20	
Less: Amount received towards Ongoing Contract Liabilities (as per contra - 2.27)	4,83,661.88	25,040.20	3,24,959.92	17,323.52
2. Current portion of Govt. Assistance (as per contra - 2.23)		4,374.99		3,929.58
3. Statutory Dues payable		1,001.32		453.17
Total		**30,416.51**		**21,706.27**

Advance from Customers includes an amount of Rs 1,454.30 lakhs being the pro-rata unexpired licensed technical document fees paid to Russia (erstwhile USSR) for 5 numbers of Missile Boats for Indian Navy, which has been reimbursed by the Customer. The corresponding amount has been reflected in Note no 2.4.3.

NOTE 2.29: SHORT-TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31-03-2023		As at 31-03-2022	
1. Provision for Liquidated Damages		832.07		505.39
2. Provision for Leave Encashment (as per Contra - 2.21.1)		441.21		702.19
3. Provision for Gratuity		334.72		462.91
4. Provision for Superannuation Fund		488.12		473.71
5. Provision for PRMS		851.01		977.87
6. Provision for Guarantee and Warranty				
Opening Balance	1,778.92		1,615.26	
Less: (i) Utilised - Material (Refer Note - 2.32.1)	112.75		33.52	
(ii) Utilised - Sub Contract and Direct Expenses	413.51		558.28	
(iii) Provisions written back	1,051.65		-	
	201.01		1,023.46	
Add: Additional Provision (Refer Note - 2.38.1)	121.99	323.00	755.46	1,778.92
Total		**3,270.13**		**4,900.99**

NOTES ON STATEMENT OF PROFIT & LOSS

NOTE 2.30: REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
I. Turnover (Value of Production)#		
(a) Contract Revenue		
i) Ship Construction	46,155.08	48,590.16
ii) General Engineering	10,314.47	8,708.95
(b) Sale of Products		
i) B & D Spares	4,778.47	2,765.23
(c) Sale of Services		
i) Ship Repairs	15,959.13	3,874.11
ii) General Engineering	5,289.82	6,431.27
Total (I)	**82,496.97**	**70,369.72**

Out of the total Turnover (Value of Production), Rs 3,785.23 lakhs (previous year Rs 110.24 lakhs) pertain to revenue from export orders.

Disclosure as per Ind AS 115: Geographical revenue is allocated based on the location of the customers.
Information regarding geographical revenue is as follows:

Geography	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Asia Pacific		
India	78,711.74	70,259.48
Others	3,785.23	110.24
Total	**82,496.97**	**70,369.72**
Customer		
Government-MoD	73,149.20	66,282.26
Non-Government	5,562.54	3,977.22
Export	3,785.23	110.24
Total	**82,496.97**	**70,369.72**
Notes on Contract revenue recognition with respect to ongoing projects/vessels in WIP:		
Amount recognized as Revenue in Statement of Profit & Loss	66,292.49	49,549.39
Aggregate amount incurred less loss charged to Statement of Profit & Loss (Cumulative)	1,64,502.51	1,01,726.56
Advance payment received (Cumulative)	4,90,010.40	3,27,876.12
Remaining Contract to be executed	17,08,397.73	12,56,429.99
II. Other Operating Revenue		
1. Sale of Stores & Scrap	396.23	195.52
2. Settlement of Insurance Claim	-	17.13
3. Duty Drawback Received	120.32	-
4. Deferred revenue on Depreciation on Customer Funded Assets	3,929.58	3,452.99
Total (II)	**4,446.13**	**3,665.64**
Total Revenue from Operation (I+II)	**86,943.10**	**74,035.36**

Note: (i) The Company is engaged in the production of defence equipment and is exempted from Segment Reporting vide notification S.O.802(E) dated 23rd February, 2018 by amending notification no G.S.R 463(E) dated 5th June, 2015. In view of the same, no disclosure is made separately by the Company on Operating Segment under Ind AS 115.

NOTE 2.31: OTHER INCOME

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023		For the Year Ended 31st March, 2022	
1. Interest				
a) On Deposits with Banks	15,697.88		11,849.27	
b) On Loan to Employees	6.11		7.99	
c) Other Interest	0.14	15,704.13	29.59	11,886.85
2. Profit on sale of fixed assets		18.18		37.79
3. Liabilities/Provisions no longer required written back		1,613.23		88.42
4. Miscellaneous Income		301.62		426.59
Total		**17,637.16**		**12,439.65**

NOTE 2.32: MATERIAL CONSUMPTION

Particulars	For the Year Ended 31st March, 2023		For the Year Ended 31st March, 2022	
1. Cost of Materials consumed:				
Opening Stock of Raw Materials, Stores and Spares		4,811.99		5,719.67
Add: Purchases (Gross)		35,607.02		28,166.25
		40,419.01		33,885.92
Less: Closing Stock-Stores in Hand		11,427.99		4,811.99
Value of Raw Materials consumed:		28,991.02		29,073.93
Less: Cost of Materials issued to Completed Vessels	-	-	261.58	261.58
Value of Raw Materials consumed (Gross):		28,991.02		28,812.35
Less: Materials issued for Guarantee Repair (Refer Note - 2.29.6(i))	112.75		33.52	
Stores & Spares consumption included in Repairs & Maintenance	234.52	347.27	216.00	249.52
Total Consumption		**28,643.75**		**28,562.83**
2. Break up of Net Consumption				
i. Imported	6,624.02		1,617.36	
ii. Indigenous	22,019.73	28,643.75	26,945.47	28,562.83
Total Consumption		**28,643.75**		**28,562.83**
3. Consumption consists of:				
i. Iron & Steel	5,518.52		2,229.98	
ii. Non-ferrous Metals & Alloys	3,062.20		192.42	
iii. Machinery & Equipment fitting on ships etc.	19,900.15		26,112.03	
iv. Others	162.88		28.40	
Total Consumption		**28,643.75**		**28,562.83**

NOTE 2.33: COST OF BASE AND DEPOT SPARES

Particulars	For the Year Ended 31st March, 2023		For the Year Ended 31st March, 2022	
1. Cost of Base and Depot Spares				
Opening Stock		-		-
Add: Purchases		4,328.37		2,527.63
		4,328.37		2,527.63
Less: Closing Stock-Stores in Hand		-		-
Total		**4,328.37**		**2,527.63**

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023		For the Year Ended 31st March, 2022	
2. Break up Cost				
i. Imported	3,243.16		1,031.45	
ii. Indigenous	1,085.21	4,328.37	1,496.18	2,527.63
Total		**4,328.37**		**2,527.63**
3. Consumption consists of:				
Machinery & Equipment fitting on ships etc.		**4,328.37**		**2,527.63**

NOTE 2.34: EMPLOYEE BENEFITS EXPENSES

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
1. Salaries, Wages, Allowances and Bonus	11,391.59	10,910.21
2. Leave Encashment	1,249.70	1.25
3. Contribution to Provident Fund	927.20	970.53
4. Contribution to Employees State Insurance Scheme	7.32	6.99
5. Contribution to Deposit Linked Insurance Scheme	11.42	11.92
6. Contribution to Gratuity Fund	329.06	315.72
7. Contribution to Superannuation Fund	426.06	479.78
8. Contribution to PRMS	249.73	248.06
9. Staff Welfare Expenses	1,522.90	1,549.75
	16,114.98	**14,494.21**
Less: Employee Benefits Expensess during COVID-19 restriction shown as Exceptional Item	-	363.64
Total	**16,114.98**	**14,130.57**

The Employee Benefit Expense amounting to Rs 1,961.98 lakhs (previous year Rs 1,851.92 lakhs) has been transferred towards R & D Expenses, Project Direct Expenses, Capital Work-in-Progress and CSR Expenditure.

1. Actuarial valuation of liability towards Gratuity - Note No. 2.34 above refers.

Defined Benefit Plans Gratuity - as per actuarial valuation on March 31, 2023

Particulars	Valuation Date 31st March, 2023	Valuation Date 31st March, 2022
i. Assumptions		
Mortality	**IALM (2012-14) Ult**	**IALM (2012-14) Ult**
Discount Rate	7.20%	7.10%
Salary Growth Rate	4.00%	4.00%
Expected Rate of Return	7.20%	6.32%
Employee Attrition Rate (All Ages)	5.00%	5.00%
Retirement Age	60 Years	60 Years
ii. Funded Status of the Plan		
Present Value of Funded Obligations	5,607.56	6,376.11
Fair Value of Plan Assets	(5,279.52)	(5,913.20)
Unrecognised Past Service Cost	-	-
Net Liability (Assets)	**328.03**	**462.91**

(₹ in Lakhs)

Particulars	Valuation Date 31st March, 2023	Valuation Date 31st March, 2022
iii. Profit and Loss Account for current period		
Current Service Cost	250.18	306.49
Recognised Past Service Cost-Vested	-	-
Loss/(Gain) on curtailments and settlement	-	-
Total Service Cost	250.18	306.49
Interest on obiligation	452.70	400.70
Expected Return on Plan Assets	(373.82)	(391.47)
Net Interest Cost	78.88	9.23
Total included in 'Employee Benefit Expenses'	**329.06**	**315.72**
iv. Reconciliation of Defined Benefit Obligation		
Opening Defined Benefit Obligation	6,376.11	7,205.72
Current Service Cost	250.18	306.49
Interest Cost	452.70	400.70
Benefit Payment from Plan Assets	(1,387.03)	(1,730.98)
Actuarial (Gain)/Loss on Obligations	(84.40)	194.18
Closing Defined Benefit Obligation	**5,607.56**	**6,376.11**
v. Reconciliation of Plan Assets		
Opening Value of Plan Assets	5,913.20	6,913.52
Adjustment to opening Fair Value of Plan Assets	1.71	-
Expected Return on Plan Assets	373.82	391.47
Employer Contributions	467.88	292.20
Participant Contribution	-	-
Benefits Payment from Plan Assets	(1,387.03)	(1,730.98)
Actuarial Gain/(Loss) on Plan Assets	(90.05)	46.99
Closing Value of Plan Assets	**5,279.53**	**5,913.20**
vi. Reconciliation of Net Defined Benefit Liabilities		
Net Opening Provisions in Books of Accounts	462.91	292.20
Net Adjustment to opening Fair Value of Plan Assets	(1.71)	-
Defined Benefit Cost in Statement of Profit and Loss	329.06	315.72
Total remeasurements included in OCI	5.65	147.19
Employer Contributions	(467.88)	(292.20)
Closing Provisions in Books of Accounts	**328.03**	**462.91**
vii. Composition of the Plan Assets		
Government of India Securities	0%	0%
State Government Securities	0%	0%
Equity Securities-Corporate Debt Securities	0%	0%
Gratuity Fund (Trustees of the Scheme)	100%	100%
Others	0%	0%
Total	**100%**	**100%**

(₹ in Lakhs)

Particulars	Valuation Date 31st March, 2023	Valuation Date 31st March, 2022
viii. Bifurcation of Liability as per Schedule III of the Companies Act, 2013		
Current Liability	907.88	462.91
Non Current Liability	4,699.68	5,913.20
Fair Value of Assets	(5,279.53)	(5,913.20)
Net Liability	**328.03**	**462.91**
ix. Effects Recognised in Other Comprehensive Income (OCI)		
Actuarial (Gain)/Loss recognised for the period	(84.40)	194.18
Return on Plan Assets (Greater) / Lesser than the expected return	90.05	(46.99)
Any other Effect	-	-
Net Actuarial Loss/(Gain) for the period	**5.65**	**147.19**
x. Total Cost Recognised in Comprehensive Income		
Cost recognised in Statement of Profit and Loss	329.06	315.72
Remeasurement effects recognised in OCI	5.65	147.19
Cost Recognised in Comprehensive Income	**334.72**	**462.91**
xi. Expected Cashflows based on Past Service Liability		
Year 1	939.99	1,105.05
Year 2	1,201.81	1,384.13
Year 3	945.96	1,100.23
Year 4	793.19	854.88
Year 5	532.00	703.55
Year 6 to 10	1,735.74	1,789.25
xii. Sensitivity to Key Assumptions		
Discount Rate Sensitivity		
Increase by 1%	5,358.74	6,134.27
(% Change)	-4.44%	N.A.
Decrease by 1%	5,886.20	6,645.79
(% Change)	4.97%	N.A.
Salary Growth Rate Sensitivity		
Increase by 1%	5,790.49	6,570.33
(% Change)	3.26%	N.A.
Decrease by 1%	5,427.67	6,185.57
(% Change)	-3.21%	N.A.
Withdrawal Rate (W.R.) Sensitivity		
Increase by 1%	5,674.05	N.A.
(% Change)	1.19%	N.A.
Decrease by 1%	5,533.94	N.A.
(% Change)	-1.31%	N.A.

2. Actuarial valuation of Liability towards Leave Encashment - Note No. 2.34 above refers.

Defined Benefit Plans Leave Encashment as per actuarial valuation on March 31, 2023

(₹ in Lakhs)

	Particulars	Valuation Date 31st March, 2023	Valuation Date 31st March, 2022
i.	**Assumptions**		
	Mortality	**IALM (2012-14) Ult**	**IALM (2012-14) Ult**
	Discount Rate	7.20%	7.10%
	Rate of Increase in Compensation Levels	4.00%	4.00%
	Retirement Age	60 Years	60 Years
	Employee Attrition Rate (All Ages)	5.00%	5.00%
ii.	**Funded Status of the Plan**		
	Present Value of Funded Obligations	3,139.91	2,703.21
	Fair Value of Plan Assets	-	-
	Deficit/(Surplus)	3,139.91	2,703.21
	Unrecognised Past Service Cost	-	-
	Net Liability/(Assets)	**3,139.91**	**2,703.21**
iii.	**Profit and Loss Account for Current Period**		
	Current Service Cost	618.96	616.06
	Recognised Past Service Cost-Vested	-	-
	Loss/(Gain) on curtailments and settlement	-	-
	Total Service Cost	618.96	616.06
	Interest on Obiligation	191.93	206.72
	Expected Return on Plan Assets	-	-
	Net Interest Cost	191.93	206.72
	Net Actuarial (Gain)/Loss	438.81	(1,119.94)
	Total included in 'Employee Benefit Expenses'	**1,249.70**	**(297.16)**
iv.	**Reconciliation of Defined Benefit Obligation**		
	Opening Defined Benefit Obligation	2,703.22	3,541.25
	Current Service Cost	618.96	616.06
	Interest Cost	191.93	206.72
	Benefit Payment from Plan Assets	-	-
	Benefit Payment directly by Employer	(813.01)	(540.87)
	Actuarial (Gain)/Loss on Obligation	438.81	(1,119.94)
	Closing Defined Benefit Obligation	**3,139.91**	**2,703.22**
v.	**Reconciliation of Plan Assets**		
	Opening Value of Plan Assets	N.A.	-
	Transfer in/(out) Plan Assets	N.A.	-
	Expected Return	N.A.	-
	Employer Contributions	N.A.	540.87
	Participant Contributions	N.A.	-
	Benefits Payment from Plan Assets	N.A.	(540.87)
	Actuarial Gain/(Loss) on Plan Assets	N.A.	-
	Closing Value of Plan Assets	**N.A.**	**-**

(₹ in Lakhs)

Particulars	Valuation Date 31st March, 2023	Valuation Date 31st March, 2022
vi. Reconciliation of Net Defined Benefit Liabilities		
Net Opening Provisions in Books of Accounts	2,703.22	3,541.25
Defined Benefit Cost in Statement of Profit and Loss	1,249.70	(297.16)
Employer Contributions	-	(540.87)
Direct Benefits Payment by Employer	(813.01)	-
Any Signficant Event	-	-
Closing Provisions in Books of Accounts	**3,139.91**	**2,703.22**
vii. Composition of the Plan Assets	%	%
Government of India Securities	NA	NA
State Government Securities	NA	NA
Equity Securities-Corporate Debt securities	NA	NA
Gratuity Fund (Trustees of the Scheme)	NA	NA
Others	NA	NA
Total	**NA**	**NA**
viii. Bifurcation of Liability as per Schedule III of the Companies Act, 2013		
Current Liability	441.21	702.19
Non Current Liability	2,698.70	2,001.03
Fair Value of Assets	-	-
Net Liability	**3,139.91**	**2,703.22**
ix. Components of Actuarial (Gain)/ Loss on Obligation		
Actuarial (Gain)/Loss due to Demographic Assumption changes in DBO	-	-
Actuarial (Gain)/Loss due to Financial Assumption changes in DBO	(19.63)	(101.82)
Actuarial (Gain)/Loss due to Experience on DBO	458.44	(1,018.12)
Return on Plan Assets (Greater)/Lesser than the Expected Return	-	-
Changes in Assets Ceiling	-	-
Any other Effect	-	-
Net Actuarial Loss/(Gain) for the period	**438.81**	**(1,119.94)**
x. Expected Cashflows based on Past Service Liability		
Year 1	472.98	702.19
Year 2	513.48	730.70
Year 3	492.19	586.45
Year 4	454.45	569.90
Year 5	288.78	535.98
Year 6 to 10	1,209.58	2,163.93

(₹ in Lakhs)

Particulars	Valuation Date 31st March, 2023	Valuation Date 31st March, 2022
xi. Sensitivity to Key Assumptions		
Discount Rate Sensitivity		
Increase by 1%	2,956.55	2,586.40
(% Change)	-5.84%	NA
Decrease by 1%	3,348.16	2,835.66
(% Change)	6.63%	NA
Salary Growth Rate Sensitivity		
Increase by 1%	3,320.89	2,833.89
(% Change)	5.76%	NA
Decrease by 1%	2,978.18	2,586.19
(% Change)	-5.15%	NA
Withdrawal Rate (W.R.) Sensitivity		
Increase by 1%	3,184.49	NA
(% Change)	1.42%	NA
Decrease by 1%	3090.05	NA
(% Change)	-1.59%	NA

NOTE 2.35: FINANCE COST

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
1. Interest Expenses	0.62	0.01
2. Interest on Lease Liabilities	44.88	23.99
3. Others	1.00	1.52
Total	**46.50**	**25.52**

NOTE 2.36: OTHER EXPENSES

Particulars	For the Year Ended 31st March, 2023		For the Year Ended 31st March, 2022	
1. Power, Fuel and Electricity		917.09		640.73
2. Rent		5.81		4.87
3. Rates and Taxes		45.19		35.76
4. Water Expenses		165.54		137.88
5. Insurance		154.63		167.16
6. Repairs and Maintenance:				
i) Factory Buildings & Site	143.60		137.58	
ii) Plant and Machinery	416.94		439.23	
iii) Others	1,262.34		1,136.54	
	1,822.88	1,822.88	1,713.35	1,713.35
7. Printing and Stationery		23.62		18.53
8. Postage, Telegrams and Telephone		50.75		51.31
9. Travelling Expenses	240.61		152.01	
Less: Amount included under				
- Training Expenses	11.52		0.88	
- Recruitment Expenses	8.37	220.72	0.83	150.30

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023		For the Year Ended 31st March, 2022	
10. Recruitment Expenses	13.47		14.52	
Less: Advertisement expenses for recruitment included under the Head "Advertisement"	3.31	10.16	13.69	0.83
11. Advertisement				
- Recruitment	3.31		13.69	
- Staff & Establishment	0.98		1.65	
- Tenders	23.11		31.08	
- Publicity	8.73	36.13	20.48	66.90
12. Business Promotion Expenses		272.53		61.49
13. Export Promotion Expenses		9.06		79.98
14. Contribution to DIO-iDEX		-		500.00
15. Bank Charges		13.55		43.54
16. Auditors Remuneration				
- Statutory Audit Fees	3.00		3.00	
- Auditor fees for other services	4.00		3.25	
- Tax Audit Fees	1.00		1.00	
- Audit Expenses	3.25	11.25	2.85	10.10
17. Other Audit Fees				
- Cost Audit Fees	1.50		1.50	
- Fees for Secretarial Audit	0.62		0.75	
- Audit Expenses	0.25		0.50	
- Fees for Certification	1.23		0.98	
- Internal Audit Fees	4.88	8.48	5.04	8.77
18. CISF and Security Expenses		1,679.31		1,503.05
19. Stock Adjustments		(3.30)		(1.29)
20. Legal Charges		112.51		42.54
21. Professional and Consultant Fees		125.57		125.56
22. Vehicle Hire Charges		185.04		141.11
23. Books & Periodicals		9.18		14.72
24. Foreign Exchange (Gain)/Loss		4.06		3.49
25. Training Expenses	8.90		12.47	
Add: Travelling Expenses for training	11.52	20.42	0.88	13.35
26. Directors Sitting Fees & Expenses		7.80		2.03
27. LD deducted by Customer		11.56		0.29
28. R & D Expenditure		999.50		817.31
29. Stores Clearing and Handling Charges		34.39		90.79
30. Miscellaneous Expenses		250.91		264.76
Total		**7,204.34**		**6,709.21**

NOTE 2.37: CORPORATE SOCIAL RESPONSIBILITY

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023		For the Year Ended 31st March, 2022	
(a) Gross Amount required to be spent by the Company during the period		381.78		431.81
(b) Amount spent during the period		394.06		447.33
(i) On construction or acquisition of Assets - Amount paid	274.79		307.06	
- Contractual liability	0.19	274.98	34.19	341.25
(ii) On purposes other than (i) above - Amount paid	115.82		98.96	
- Contractual liability	3.26	119.08	7.12	106.08
Total		**394.06**		**447.33**

The Contractual liability mentioned above has been paid post March 31, 2023 before the date of reporting of financial statement.

The various heads under which the CSR expenditure was incurred during the year is detailed as follows.

Description of CSR activities	Relevant clause of Schedule VII to the Companies, Act, 2013	For the Year Ended 31st March, 2023	For the Year ended 31st March, 2022
Eradicating hunger, poverty and malnutrition, ["promoting health care including preventive health care"] and sanitation [including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.	Clause (i)	275.32	316.69
Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Clause (ii)	99.74	108.24
Measures for the benefit of armed forces veterans, war widows and their dependents, [Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows].	Clause (vi)	-	2.00
Amount spent in Administration Overheads.		19.00	20.40
Total		**394.06**	**447.33**

NOTE 2.38: PROVISIONS MADE

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
1. Guarantee Repairs	121.99	755.46
2. Bad and Doubtful Debts	10.81	358.79
3. Liquidated Damages	326.68	505.39
Total	**459.48**	**1,619.64**

NOTE 2.39: EXCEPTIONAL ITEMS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Employees Benefit Expenses	-	363.64
Total	**-**	**363.64**

As per local Government directives on account of COVID-19 pandemic, the production activities of the Company were carried out in curtailed manner from 07-05-2021 to 03-07-2021. With regard to accounting of revenue expenses, the Company has worked out the amount of exceptional item of expenditure of Rs 363.64 lakhs towards the impact of COVID-19 pandemic and disclosed accordingly.

NOTE 2.40: INCOME TAX

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
A. The Major Component of Income Tax expenses for the year are as under:		
Income tax recognised in the Statement of Profit & Loss		
Current tax:		
In respect of current period	4,750.00	3,750.00
Taxes pertaining to earlier year	(212.84)	(109.15)
Deferred Tax:		
In respect of current period	509.58	(206.68)
Income Tax expenses recognised in the Statement of Profit & Loss	**5,046.74**	**3,434.17**
B. Reconciliation of Tax expenses and the accounting profit for the year is as under:		
Profit before Tax	20,501.06	13,543.36
Income Tax computed @ 25.168%	5,159.71	3,408.59
Tax effect on non deductible expenses	99.18	238.42
Effect of income which is taxed at special rates	-	-
Others	(0.12)	(111.18)
Additional Provision	0.81	7.49
Total	**5,259.58**	**3,543.32**
Adjustments in respect of current income tax of previous year	(212.84)	(109.15)
Tax expense as per Statement of Profit and Loss	**5,046.74**	**3,434.17**

NOTE 2.41: EARNINGS PER SHARE

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Profit for the period (PAT)	15,454.32	10,109.19
Earnings per share Basic (in Rs.)	13.28	8.68
Earnings per share Diluted (in Rs.)	13.28	8.68

Share having nominal value of Rs 5/- each (previous year Rs 5/- each)

ADDITIONAL NOTES TO ACCOUNTS – INFORMATIVE

NOTE 2.42: NORMAL OPERATING CYCLE

The classification of Assets and Liabilities, wherever applicable, are based on normal operating cycles of different business activities of the Company, which are as under:

i) In case of Ship Building and Ship Repair and Refit activities, normal operating cycle is considered vessel wise. The time period from the effective date of contract/letter of intent to the date of expiry of guarantee period is the Normal Operating Cycle.

ii) In case of other business activities normal operating cycle will be 12 months.

NOTE 2.43:

Pursuant to notification S.O. 2437(E) dated September 4, 2015, following information on the exemption granted under Section 129 of the Companies Act, 2013 has not been disclosed in the financial statements:

i) Value of import on CIF basis

ii) Expenditure on foreign currency

iii) Earning in foreign currency

NOTE 2.44: BUSINESS SEGMENT REPORTING

i) The Company is engaged in the production of defence equipment and was exempted from Segment Reporting vide notification S.O.802(E) dated February 23, 2018 by amending notification no G.S.R 463(E) dated 5th June, 2015. In view of the above, no disclosure is made separately by the Company on Operating Segment under Ind AS 108.

ii) For management purpose, the Company is organised into three major segments- Shipbuilding (NC), Ship Repairs (SR) and General Engineering Services (GES).

iii) There are no geographical segments within the business segments.

NOTE 2.45: CONTINGENT LIABILITIES AND COMMITMENTS

Provisions, Contingent Liabilities and Contingent Assets as per Ind AS 37 issued by the Institute of Chartered Accountants of India is assessed during every year and the treatment of the same in the books is disclosed at relevant heads at Balance Sheet and / or in the Notes to Accounts. Relevant disclosures are as under:

NOTE 2.45.1: Amounts for which Company may be contingently liable:

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
a) (i) Estimated amount of contracts remaining to be executed on capital commitments.	3,021.01	2,078.13
(ii) Estimated amount of contracts remaining to be executed apart from capital commitments.	5,45,535.36	4,79,530.08
b) Position of non-fund based limits utilized for:		
(i) Letters of Credit	10,207.74	630.52
(ii) Guarantees and Counter Guarantees	1,12,189.61	28,285.98
c) Indemnity Bonds issued by the Company to Customers for various contracts	6,11,805.26	5,62,547.28

Note: The item "Guarantee and Counter Guarantees" at note no. 2.45.1 (b) (ii) above includes an amount of Rs 56.91 Cr representing interest portion of the arbitration award deposited in the form of Bank Guarantee, as directed by the Hon'ble High Court of Bombay at Goa, Panjim in the arbitration case with M/s Shoft Shipyard Private Limited.

NOTE 2.45.2: Claims against the Company pending under litigation not acknowledged as debts in respect of claims made by:

(₹ in Lakhs)

Sl. No.	Particulars	FY 2022-23				FY 2021-22			
		Carrying amount as at 01.04.2022	Utilise during the year	Additions during the year	Amount as at 31.03.2023	Carrying amount as at 01.04.2021	Utilise during the year	Additions during the year	Amount as at 31.03.2022
(i)	Damages claimed by dismissed employee in Civil Suit filed in Vasco Court.	840.00	-	-	840.00	840.00	-	-	840.00
(ii)	Bhatia Engineering Company in arbitration on account of non supply of items and recovery of LD.	525.94	-	160.92	686.86	402.71	-	123.23	525.94
(iii)	System Security Services in arbitration for non-compliance of Statutory Payments.	40.53	-	12.39	52.92	31.04	-	9.49	40.53
(iv)	Kalpataru Power Transmission Ltd. (Formerly JMC Projects India Ltd): Contract value enhancement and migration from VAT to GST with respect to phase 3B.	507.00	-	26.00	533.00	507.00	-	-	507.00
(v)	Kalpataru Power Transmission Ltd. (Formerly JMC Projects India Ltd): Contract value enhancement and migration from VAT to GST, change in legislation, additional amounts incurred during extended period of contract, additional costs due to technical variations and other claims with respect to phase 4.	267.00	-	8,234.65	8,501.65	267.00	-	-	267.00
(vi)	Back Wages order by Labour Court in connection with dismissed employee.	70.92	70.92	-	-	-	-	70.92	70.92
(vii)	VK Building Services Pvt Ltd: Dispute arose between VK Building Services and Marymartha with respect to the sub-contract works of GSL.	-	-	614.00	614.00	-	-	-	-
(viii)	Cmde. P.K.S. Shrivastava: Terminated on the grounds of territorial jurisdiction.	-	-	5.00	5.00	-	-	-	-
	Total	**2,251.39**	**70.92**	**9,052.96**	**11,233.43**	**2,047.75**	**-**	**203.64**	**2,251.39**

NOTE 2.45.3: Appeals against disputed tax demands pending before Adjudicating / Appellate Authorities not provided for in matters relating to:

(i) The Customs Authority has passed an order dated 01.11.2018 resulting in demand of Rs 941.28 lakhs including interest in respect of short payment of IGST on import of material (HSN clasification of material) during the period of February 2018-September 2018. The Company has filed an appeal before CESTAT against the order of the Deputy Commissioner on 14.12.2020 after depositing of Rs 42.48 lakhs being 7.5% of the disputed amount.

(ii) The Customs Authority ('the Authority') vide its order dated 19.04.2023 have denied the exemption benefit of the Customs notification 29/2017 availed by GSL for import of project documentation. A demand of Rs 4,612.00 lakhs including interest, penalty & redemption fee of Rs 3,105.26 lakhs towards non-payment of BCD (Rs 1,194.79 lakhs), SWC (Rs 119.48 lakhs) and short payment of IGST (Rs 192.47 lakhs) have been made by the Authority by denying the above-mentioned exemption. The Company is in the process of filing an appeal before CESTAT against the above mentioned order of the Authority by depositing Rs 113.01 lakhs (7.5% of the disputed duty amount).

(iii) The Customs Authority ('the Authority') vide its order dated 18.04.2023 have denied the exemption benefit of the Customs notification 29/2017 availed by GSL for import of project documentation. A demand of Rs 18.23 lakhs including interest & penalty of Rs 7 lakhs on non-payment of BCD (Rs 9.11 lakhs), SWC (Rs 0.91 lakhs) and short payment of IGST (Rs 1.21 lakhs) have been made by the Authority by denying the above-mentioned exemption. The Company is in the process of filing an appeal before CESTAT against the above mentioned order of the Authority by depositing of Rs 0.84 lakhs (7.5% of the disputed duty amount).

(iv) The Commercial Tax Authorities, Goa under Goa VAT Act & Central Sales Tax Act, have passed an order dated 14.02.2020 resulting in demand of Rs 203.15 lakhs for FY 2016-17 in respect of disallowances of Input Tax Credit. The Company has filed an appeal on 28.05.2020 before Additional Commissioner of Commercial Tax against the order of the assessing officer.

(v) The Company has filed an appeal before the Commissioner, GST (Appeals), under Section 75 of Finance Act, 1944 against the order of the Joint Commissioner GST, Goa dated 21.10.2021 for demand for Rs 65.73 lakhs in respect of non-payment of service tax on Liquidated Damages deducted from the suppliers during Oct, 2015 to Jun, 2017 and recovery of Cenvat Credit amounting to Rs 25.90 lakhs availed on input services which are not in relation to the taxable output services. The Commissioner, GST (Appeals) vide its order no: Goa-ST-APP (VNT)-026-2022-23 dated 17.08.2022 have set aside the demand of Rs 65.73 lakhs of service tax on LD and upheld the demand of Rs 25.90 lakhs towards input services which are not in relation to the taxable output services along with penalty of Rs 25.90 lakhs against which the Company has filed appeal before CESTAT on 14.10.2022 after deposting Rs 4.92 lakhs.

(vi) The Commercial Tax Authorities, Goa under Goa VAT Act & Central Sales Tax Act have passed an order dated 12.08.2021 demanded Rs 13.87 lakhs towards Interest on disallowances of Input Tax Credit for FY 2017-18 aganist which the Company has filed an appeal before Additional Commissioner of Commercial Tax on 14.10.2021.

NOTE 2.46:

MoF vide Notification No 29/2015 dt 30.04.2015 amended Customs Notification No 39/96 thereby withdrawing the exemption on Counter Veiling Duty (CVD) and Special Additional Duty (SAD) in respect of goods imported for warship construction but continued with exemption of Basic Customs Duty (BCD) only w.e.f. 01.06.2015. In view of the above, during the period from June 2015 to March 2016, GSL cleared goods imported directly for CGOPVs for which contract was signed in 2012 i.e. before the amendment as above, by payment of CVD and SAD as applicable and hence the duty paid by GSL as above is reimbursable by Indian Coast Guard. The total CVD and SAD paid by GSL is Rs 2,172.26 lakhs and in addition, an amount of Rs 353.46 lakhs was reimbursed by GSL to sub-vendors towards CVD and SAD totalling Rs 2,525.72 lakhs. So far GSL has received an amount of Rs 2,441.06 lakhs towards the above and the balance amount of Rs 84.66 lakhs is expected to be received in FY 2023-24.

NOTE 2.47:

The Company has adopted Ind AS 116, Accounting for Leases in FY 2019-20 and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application.

The changes in the carrying value of ROU assets for the period ended March 31, 2023 are as follows: (₹ in Lakhs)

Particulars	Category of Right to Use			
	Land	Building	Others	Total
Opening Balance April 01, 2022	126.23	403.10	-	529.33
Additions	-	-	-	-
Deletions	-	-	-	-
Depreciation	11.96	89.32	-	101.28
Balance as on March 31, 2023	**114.27**	**313.78**	**-**	**428.05**

Lease contract entered by the Company pertains for land & buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract. The Company does not face any significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Rental expense recorded for short-term leases below 12 months was Rs 5.81 Lakhs for the year ended March 31, 2023 (previous year Rs 4.87 lakhs) which is shown as Rent under the head Other Expenses.

NOTE 2.48: RELATED PARTY DISCLOSURE

(a) Name of related party and description of relations:

(i) The Company is controlled by the President of India (GOI) having ownership interest of 51.09%.

(ii) Mazagon Dock Shipbuilders Ltd (MDL) having ownership interest of 47.21%

(iii) Key Managerial Personnel

Shri Brajesh Kumar Upadhyay	Chairman & Managing Director
Capt. Jagmohan, IN (Retd.)	Director (CPP&BD)
Shri Sunil Shivaling Bagi	Director (Finance) & CFO
Smt Chhaya Jain	Company Secretary

(iv) Relative of Key Managerial Personnel

Shri Saurabh Jain	Addl. General Manager

(b) (1) Nature of Transaction: Remuneration to Key Managerial Personnel & Relative: (₹ in Lakhs)

Particulars	Designation	For the Year ended 31st March, 2023		For the Year ended 31st March, 2022	
		Short term benefits	Post & long term employment benefits	Short term benefits	Post & long term employment benefits
Shri Brajesh Kumar Upadhyay (From 10.07.2022)	Chairman & Managing Director	30.79	7.02	-	-
Cmde. B.B. Nagpal, NM (Retd.) (Upto 30.04.2022)*	Chairman & Managing Director	24.74	1.01	69.72	11.71
Shri T N Sudhakar (Upto 31.07.2022)*	Director (Finance)	35.01	3.36	54.82	9.70
Capt. Jagmohan, IN (Retd.) (From 15.12.2019)	Director (CPP&BD)	61.41	12.20	49.92	8.57
Shri Brajesh Kumar Upadhyay (Upto 09.07.2022)	Director (Operations)	24.29	2.45	39.27	11.12
Shri Sunil Shivaling Bagi (From 28.09.2022)	Director (Finance)	26.32	4.99	-	-
Smt Chhaya Jain (From 07.07.2017)	Company Secretary	26.61	5.56	23.32	5.06
Shri Saurabh Jain (From 20.07.2017)	Addl. General Manager	41.46	9.33	38.29	8.50

*includes terminal benefits

(b) (2) Sitting fees to Independent Directors

(₹ in Lakhs)

Particulars	Designation	For the Year ended 31st March, 2023		For the Year ended 31st March, 2022	
		Board meetings	Committee meetings	Board meetings	Committee meetings
Shri Deepak Manohar Patwardhan (From 31.12.2021)	Independent Director	1.20	2.20	0.20	0.70
Shri Hasmukhbhai Ishwarlal Hindocha (From 03.01.2022)	Independent Director	1.20	1.50	0.20	0.50

(b) (3) Transaction with Other Related Parties: As required under Ind AS 24, following are the significant transaction with Government and Government related entities:

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Ministry of Defence (GOI)		
Sale of Goods/Services	16,700.19	78,701.12
Outstanding Balance arising from Sales /Purchase and Services		
Trade Receivable	15,245.92	18,731.62
Entity Owned by Government of India		
Sale of Goods/Services	1,159.09	505.19
Purchase of Goods and Services	2,697.44	12,323.63
Outstanding Balance arising from Sales /Purchase and Services		
(a) Amount Receivable	258.11	102.31
(b) Amount Payable	196.11	543.20
(c) Advance to Vendor	13,900.82	9,995.22
Mazagon Dock Shipbuilders Ltd (MDL)		
Sale of Goods	-	26.65
Rent Expenses	10.01	9.49
Outstanding Balance arising from Sales /Purchase and Services		
(a) Trade Receivable	2.66	44.38
(b) Amount Payable	1.63	0.81
Other Tansactions		
Dividend paid to shareholder who are related to Company	5,549.58	4,863.04

Note: The transactions are conducted in the ordinary course of the Company's business.

NOTE 2.49: CAPITAL MANAGEMENT

The Company's objective when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

For the purpose of capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company.

The Company is not subject to any externally imposed capital requirements.

To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The net debt includes, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(₹ in Lakhs)

Particulars	Refer Note	As at 31-03-2023	As at 31-03-2022
Trade Payables	2.19 & 2.25	41,269.39	27,085.75
Other Payables	2.18, 2.20, 2.24, 2.26 & 2.28	39,039.26	30,492.83
Less: Cash and Cash Equivalents	2.9	49,309.69	12,391.48
Net Debt		**30,998.96**	**45,187.10**
Equity Share Capital	2.16	5,820.19	5,820.19
Other Equity	2.17	1,18,866.12	1,09,063.03
Total Equity		**1,24,686.31**	**1,14,883.22**
Gearing Ratio		**0.25**	**0.39**

No changes were made in the objectives, policies or processes for managing capital during the period ended 31 March 2023 and 31 March 2022.

NOTE 2.50: FINANCIAL RISK MANAGEMENT

The Company's financial liabilities comprise of trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables. The Company is mainly exposed to Market risk, Credit risk and Liquidity risk. The Board of Directors ('Board') oversees the management of these financial risks through its Risk Management Committee. The Risk Management Policy of the Company formulated by the Risk Management Committee and approved by the Board, states the Company's approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Company's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance.

The following disclosures summarize the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risks: interest rate risk and currency risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables and loans.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is minimal. The Company has not used any debt except lease liabilities.

b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company enters into forward exchange contracts with average maturity period of 12 to 24 months to hedge against its foreign currency exposures relating to the recognized underlying liabilities and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes. The Company is mainly exposed to changes in USD & EURO which is minimal.

2) Credit Risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, derivative financial instruments, other balances with banks, loans and other receivables. The Company mainly has transactions with government agencies and are considered to have sufficiently high credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

Credit risk arising from derivative financial instruments and other balances with banks are limited and there is no collateral held against these, because the counter parties are banks and recognized financial institutions with high credit ratings assigned by the international credit rating agencies.

Trade Receivable

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Trade Receivable. The Company evaluates the concentration of risk with respect to Trade Receivables as low, as its major customers are Coast Guard, Indian Navy and Army under Ministry of Defence.

(₹ in Lakhs)

Movement in expected credit loss allowance on trade receivables	As at 31-03-2023	As at 31-03-2022
Balance at the beginning of the year	1,822.53	1,463.74
Loss allowance measured at lifetime expected credit losses	(1,241.63)	358.79
Balance at the end of the year	**580.90**	**1,822.53**

3) Liquidity Risk

Liquidity risk is the risk when the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks if needed to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below summarises the maturity profile of the Company's financial liabilities on contractual undiscounted payments.

Particulars: Year Ended 31.03.2023	Lease liabilities	Other financial liabilities	Trade payables
On Demand	46.88	6,170.88	590.61
Less than 3 months	3.64	1,265.25	7,681.48
3 to 12 months	18.92	236.60	27,115.43
1 to 5 years	107.84	488.54	5,881.87
> 5 years	283.87	0.33	-
Total	**461.15**	**8,161.60**	**41,269.39**

Particulars: Year Ended 31.03.2022	Lease liabilities	Other financial liabilities	Trade payables
On Demand	-	6,402.25	586.79
Less than 3 months	12.44	-	5,758.18
3 to 12 months	62.22	1,775.09	13,235.83
1 to 5 years	344.61	72.09	7,504.95
> 5 years	116.52	1.34	-
Total	**535.79**	**8,250.77**	**27,085.75**

NOTE 2.51: FINANCIAL INSTRUMENTS

(₹ in Lakhs)

	Refer Note	As at 31-03-2023	As at 31-03-2022
A. Category wise classification of financial instruments:			
(i) Trade Receivables	2.8	16,873.29	18,953.08
(ii) Cash and Cash Equivalents	2.9	49,309.69	12,391.48
(iii) Bank balances other than (ii) above	2.10	3,20,259.27	2,44,397.00
(iv) Loans	2.4 & 2.11	106.65	110.95
(v) Other Financial Assets	2.5 & 2.12	8,584.07	9,173.27
Total Financial Assets		**3,95,132.97**	**2,85,025.78**
B. Financial liabilities measured at amortised cost			
(i) Lease liabilities	2.18 & 2.24	461.15	535.79
(ii) Trade payables	2.19 & 2.25	41,269.39	27,085.75
(iii) Other financial liabilities	2.20 & 2.26	8,161.60	8,250.77
Total Financial Liabilities		**49,892.14**	**35,872.31**

NOTE 2.52: ADDITIONAL REGULATORY INFORMATION

Particulars	Numerator	Denominator	As at 31-03-2023	As at 31-03-2022	Variance %
1. Current Ratio (in times)	Total Current Assets	Total Current Liabilities	1.18	1.22	-3.52
2. Debt-Equity Ratio (in times)	Debt consists of borrowings	Total Equity	* NA	* NA	-
3. Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt Service = Interest and lease payments + Principal repayments	* NA	* NA	-
4. Return on Equity Ratio (in %)	Profit for the year less Preference dividend (if any)	Average Total Equity	12.90%	9.00%	43.42
5. Trade Receivables Turnover Ratio (in times)	Turnover made during the year	Average Trade Receivables	7.33	8.92	-17.79
6. Trade Payables Turnover Ratio (in times)	Cost of Purchase and Other Expenses	Average Trade Payables	109.66	109.86	-0.18
7. Net Capital Turnover Ratio (in times)	Revenue from Operations	Average Working Capital (i.e. Total Current Assets less Total Current Liabilities)	1.23	1.20	2.03
8. Net Profit Ratio (in %)	Profit for the year	Revenue from Operations	17.78	13.65	30.18
9. Return on Capital Employed (in %)	Profit Before Tax and Finance Cost	Capital Employed = Net Worth + Lease Liabilities + Deferred Tax Liabilities	16.27	12.00	35.53
10. Return on Investment (in %)	Income generated from invested funds	Average Invested Funds in Treasury Investments	5.99	5.05	18.58
11. Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	9.53	12.37	-22.90

The Company being not having any borrowings, Sr.No.2- Debt-Equity Ratio (in times) and Sr.No.3 - Debt Service Coverage Ratio (in times) are not applicable.

* N.A: Not Applicable

Reasons for variance more than 25%

Sr. No.4 - Return on equity ratio (in %): Net Profit for the current year period increased due to higher interest income and growth in Value of Production as compared to previous year.

Sr. No.8 - Net profit ratio (in %): Net Profit for the period increased due to increase in Value of Production and Other Income.

Sr. No.9 - Return on capital employed (in %): Net Profit for the current year period increased due to higher interest income and growth in Value of Production as compared to previous year.

NOTE 2.53:

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September, 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period of the Code becomes effective.

NOTE 2.54: RECENT ACCOUNTING PRONOUNCEMENTS

Ind AS Amendments effective from 1 April 2023

Ind AS 1, Presentation of Financial Statements: The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements. The Company is in the process of evaluating its impact, if any, on the financial statements.

Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors: The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements. The Company is in the process of evaluating its impact, if any, on the financial statements.

Ind AS 12, Income Taxes: The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the initial recognition exemption so that it does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

NOTE 2.55: ADDITIONAL DISCLOSURES

a) **Title deeds of Immovable Properties**

The title deeds of the immovable properties are held in the name of the Company. The lease deeds duly executed by the Company are in its name in case of leased properties except Land at Sada, Vasco, Goa, having land area 10,775 Sq. Mtrs., for which the Company continues to occupy the land since 1981.

b) The Company has requested MoD to approve the proposal for gifting of the portion of land admeasuring 211 Sq. Mtrs for road widening project, as requested by Local Authority, MMC, Vasco, Goa. The approval from MoD is awaited.

c) **Loans or Advances in the nature of loans are granted to Promoters, Directors, KMPs and the Related Parties**

There are no loans or advances in nature of loans granted to Promoters, Directors, KMPs and the Related Parties (as defined under the Companies Act, 2013) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

d) Relationship with Struck off Companies

The Company is in the process of identifying any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

e) Registration of charges or satisfaction with Registrar of Companies

There is no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

NOTE 2.56:

In the preparation of Ind AS Financial Statements, figures for the previous year have been regrouped/reclassified, wherever considered necessary to conform to current year presentation. Figures in brackets denote negative figures. Figures are suitably rounded off to Rupees in lakh with two decimal (except Earnings Per Share and Face Value of Share) in accordance with the provisions of clause 4 (i) (b) of General Instructions of Schedule III of the Companies Act, 2013.

As per Our Report of Even Date Attached
For P G BHAGWAT LLP
Chartered Accountants
(FRN 101118W/W100682)

Sd/-
Shrinivas G Deshpande
Partner
M.No. 234875
UDIN: 23234875BGWMJL7567

Place: Vasco da Gama, Goa
Date: 26-05-2023

For and on behalf of the Board of Directors
GOA SHIPYARD LIMITED

Sd/-
Brajesh Kumar Upadhyay
Chairman & Managing Director
DIN Number: 08852107

Sd/-
Chhaya Jain
Company Secretary

Sd/-
Sunil Shivaling Bagi
Director (Finance) & CFO
DIN Number: 09750279

Place: Vasco da Gama, Goa
Date: 26-05-2023

NOTES

NOTES

STATE-OF-THE-ART FACILITIES AT GSL



Block Assembly Workshop



GRP Workshop



MCMV Building



New Stores Building



Ship Assembly Workshop



GOA SHIPYARD LIMITED

CIN: U63032GA1967GOI000077

(A GOVT. OF INDIA UNDERTAKING, MINISTRY OF DEFENCE)

Regd. Office: VASCO-DA-GAMA, GOA-403 802, INDIA.

Tel: +91-832-2512152-56 (5 lines)

Email: contactus@goashipyard.com

URL: www.goashipyard.in