Celebrating
1957 - 2017
60
Glorious Years

Goa Shipyard Limited

Annual Report 2017-18

Best Performing Shipyard of MoD



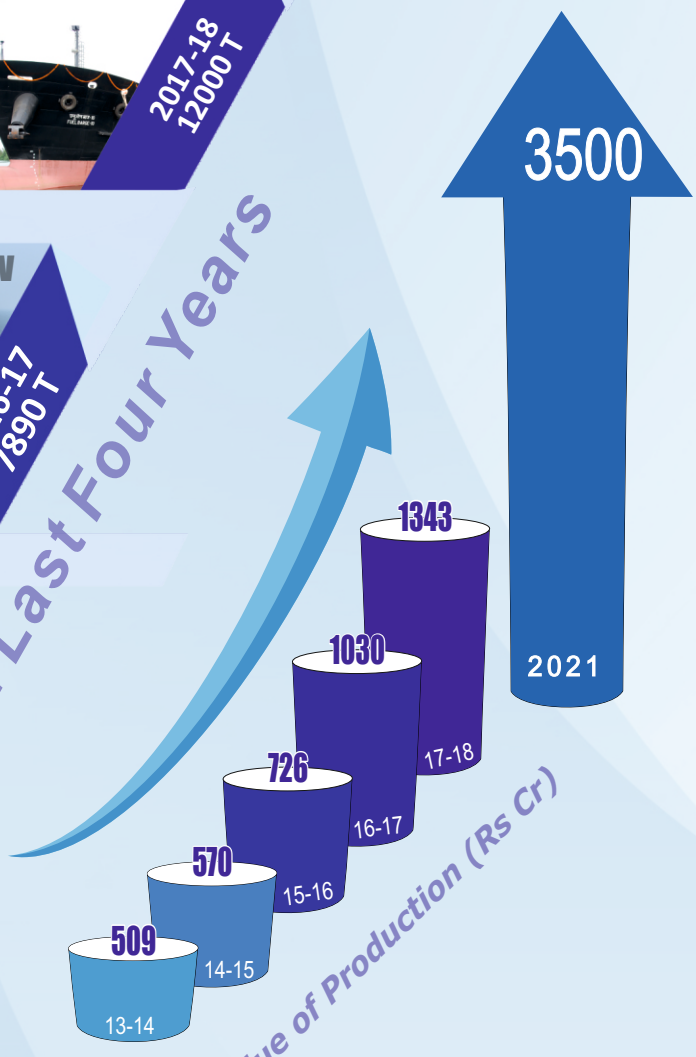








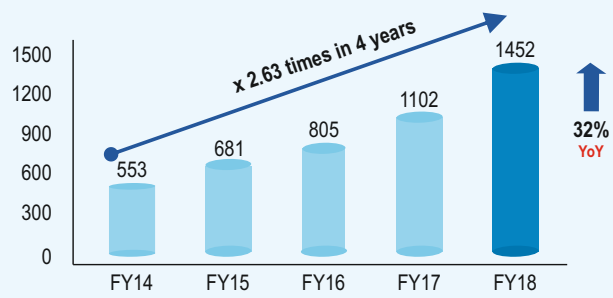
28 Deliveries in Last Four Years



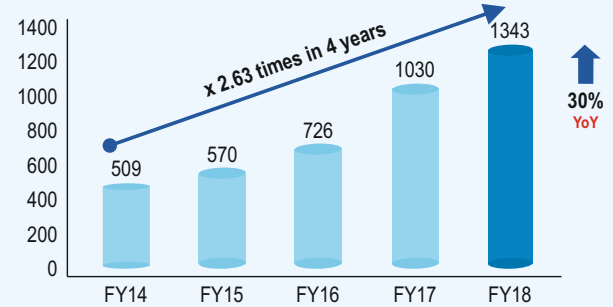
Saga of Execution & Financial Excellence

COMPARATIVE FINANCIAL PERFORMANCE FOR LAST FIVE YEARS

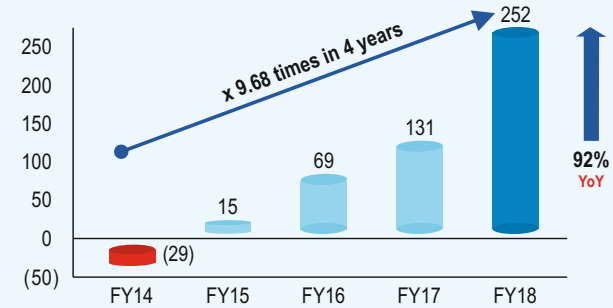
Gross Revenue (Rs Cr)



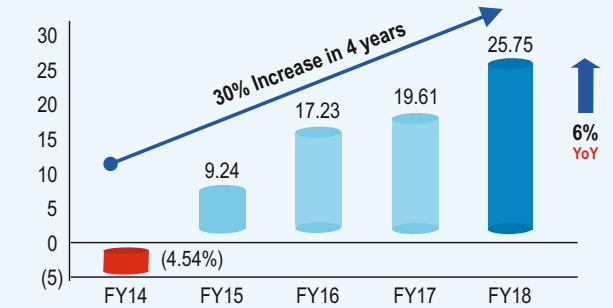
Value of Production (Rs Cr)



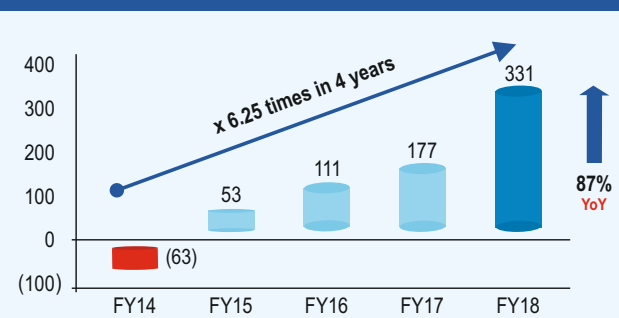
Operating Profit (Rs Cr)



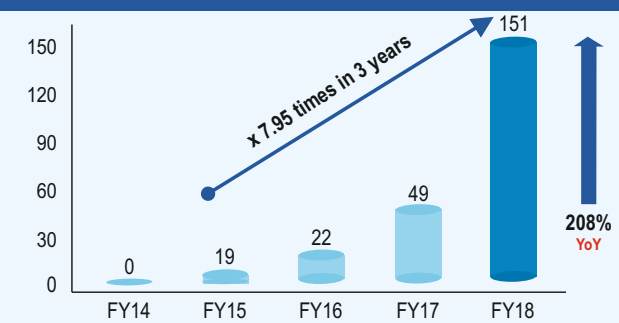
EBIDTA Margin (%)



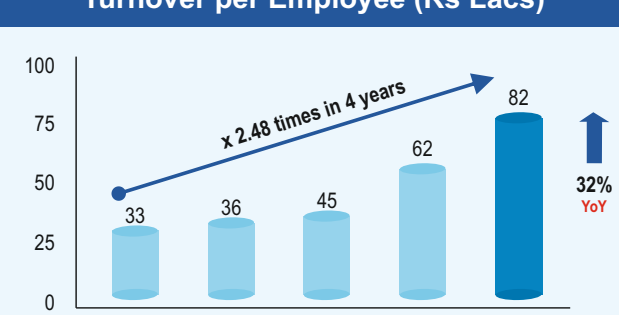
Profit Before Tax (Rs Cr)



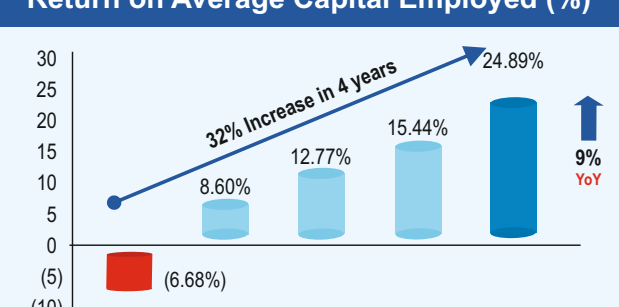
Dividend Payout (including DDT) (Rs Cr)



Turnover per Employee (Rs Lacs)



Return on Average Capital Employed (%)



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

AUTHENTICATED

(Dr. Subhash Bhamre)
RAKSHA RAJYA MANTRI
(डॉ. सुभाष भामरे)
(Dr. SUBHASH BHAMRE)
रक्षा राज्य मंत्री
Raksha Rajya Mantri
भारत सरकार, नई दिल्ली
Govt. of India, New Delhi

REVIEW OF THE GOVERNMENT ON THE ANNUAL REPORT 2017-18 AND ON THE WORKING AND AFFAIRS OF GOA SHIPYARD LIMITED, GOA

Goa Shipyard Limited (GSL), under the administrative control of Department of Defence Production, designs and builds sophisticated ships for the Indian Navy, Coast Guard and other customers. It also builds commercial vessels like Offshore Supply Vessels, Oceanographic & Coastal Research Vessels, Fishing Vessels, Dredgers, Tugs, etc.

During the Financial year 2017-18, the Company achieved highest ever Value of Production of Rs. 1343 Crore as against Rs. 1030.20 Cr. in 2016-17 i.e. an increase of 30%. The Company has also achieved Profit After Tax (PAT) of Rs. 217.33 crore as against Rs. 117.40 crore in 2016-17.

During the year 2017-18, GSL has delivered 5th and 6th Offshore Patrol Vessel (CGS Shaurya and CGS Sujay) to Coast Guard and 2nd Fast Patrol Vessel to Govt. of Mauritius; 1st and 2nd Advanced Offshore Petrol Vessels to Sri Lanka. The Company repaired six vessels which include patrol vessels, Sail Training Ship and Supply Vessels. In terms of MoU rating, the performance of GSL for the year, based on self-appraisal, is 'Excellent'.

During the year, Company was awarded National Project Excellence Award 2016 from PMA India for AOPV for Sri Lanka and IEI Industry Excellence Award 2017 from 'The Institution of Engineers' for demonstrating highest order of business excellence.

In the field of skill development, the Company has taken various initiatives which includes adoption of Vasco ITI, Building State-of-the-art Centre of Excellence for Welding in collaboration with Society of Industrial & Technical Education, Goa and organization of training programmes for ITI instructors and apprentice training programme at GSL.

During the year, the company has undertaken various initiatives under Swachh Bharat Abhiyan i.e. multiple cleanliness drives, adopting roads for cleaning and institutionalising waste disposal system.

The Government is in agreement with the Report.

AUTHENTICATED

(Dr. Subhash Bhamre)
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Govt. of India, New Delhi

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GOA SHIPYARD LIMITED

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

AUTHENTICATED

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Raksha Rajya Mantri
भारत सरकार, नई दिल्ली
Govt. of India, New Delhi

Performance Highlights - FY 17-18

Performance Highlights

- **Best Ever Financial Results recorded on strength of highest Deliveries in the history of GSL. Delivered Gross Tonnage of 12,000 Tonnes - Seven Ships in FY 18**, highest in the industry - **02 CG OPVs (5th and 6th of series), 02 Sri Lankan OPVs, 02 x 1000 T Fuel Barges and 2nd Mauritius FPV**.
- **Successfully culminated 6 CG OPV Project, (2012-17)** hailed as the most successful shipbuilding project in India, as all six deliveries were made before contractual delivery schedules with gap of 05 months between successive deliveries.
- **Successfully culminated Sri Lankan Project** for **02 AOPVs (2014-18)** and both Vessels delivered ahead of contractual schedules.
- **Geared up to execute** major import substitute projects including – 02 Advanced Missile Frigates and 12 Mine Counter Measure Vessels.
- Planned to undertake local manufacturing of MTU heavy diesel engines of 8000 series and several other advanced marine products.
- Have successfully indigenized and started production of heli grid & stabilizer locally.
- **Largest Exporter of Defence ships** from India with Rs 607 Cr VoP from Exports, contributing 45% to overall VoP.
- **Emerged L1 in global tender for 02 x LST Project of Nigeria.**
- **Executed refit orders** worth Rs 100 Cr in last one year, more than cumulative revenue from refits in last 10 years.
- Achieved **'Excellent'** MoU rating in last FY 17, with unique distinction of **100% marks,** 1st amongst all DPSUs in last 10 years.

Financial Performance

- **Near 3 times jump in VoP from Rs 509 Cr in FY 14 to Rs 1343 Cr in FY 18,** highest ever recorded in history of GSL and **30% YoY increase**.
- From loss of (-) 63 Cr in FY 14, **Profit before Tax (PBT) moved upto Rs 331 Cr** in FY 18 and **Operating Profit** jumped from (-) 29 Cr in FY 14 to 252 Cr in FY 18, a jump of nine times in last 04 years.
- **Cumulative Operating Profit of Rs 451 Cr in last 03 years**.
- **Operating Profit, Operating Margin & EBIDTA Margin,** highest amongst DPSU shipyards, for last 3 years.
- **Labour cost as % of VoP was 14.9%** - lowest amongst DPSU shipyards.
- **Increase in Turnover per Employee** from Rs 33 Lacs in FY 14 to Rs 82 Lacs per employee for FY 18, a **jump of 2.48 times in 4 years,** higher by 50% than other DPSU shipyards.
- Recovery of Old outstanding FD (Rs 30 Cr) from CCIL, pending since 1995.

Adopting new technologies assisted by Artificial Intelligence & Machine Learning

GSL Contribution to Govt. Initiatives

Make in India Initiatives

- GSL was the first DPSU Shipyard to formulate and adopt **Make-in-India Policy (Outsourcing, Long Term Procurement & Vendor Development and Indigenization)** with aim to increase **Indigenization level** from existing 60% to 70% of the material value in forthcoming Projects.
- First DPSU to adopt **Purchase Preference Policy** in October 2015 to provide preference to local Indian Manufacturers, over Foreign Manufacturers to encourage indigenization.
- 37 core Shipbuilding items identified and earmarked for indigenization; **9 items are developed locally under "Make in India" programme.**
- Indigenisation content in ongoing 5 CGOPV Project has been increased to 70% from 60% indigenization achieved in 6 CGOPV Project completed in Oct 17.
- Items/areas identified for Indigenization/import substitution are hosted on GSL website. Provisions of '**repeat'** orders for items indigenized successfully for Import Substitution are adopted.
- **'Make-in-India'** Cell established, with Nodal Officers nominated in respective disciplines.
- Introduction of **'Deemed Registration'** for firm(s) registered with any DPSU/CGHQ/IHQ/NSIC.
- Achieved **30.33% procurement from MSEs** for FY 2017-18 as against mandatory target of 20%.
- Proactively identified 18 shipbuilding items over and above 358 items reserved for mandatory procurement through MSE vendors.
- Embarked upon procurement of commonly used goods through **GeM portal** from December 2017 onwards.
- **Payment terms** to domestic firms including MSEs relaxed.
- **TReDS platform for MSEs** payment rolled out in February, 2018. Instituted payment of advance to MSEs against security.
- Adopted '**Start-up Policy'** with a view to encourage Start–ups by relaxing norms.
- Created provision of inland Letter of Credit to domestic vendors in GSL Procurement Manual.

MCMV Project & Project 1135.6 for Missile Frigates: True 'Make-in-India' Mega Projects

- Entrusted to construct technology intensive MCMV Project & Weapon Intensive Advanced Missile Frigates indigenously in India.
- Creation of Infrastructure/facilities underway to execute these Projects as per timelines.
- For Frigate Project, a large number of equipment and material originally envisaged to be imported from Russia as part of Build Material Package, have been shifted to indigenous scope for local procurement by GSL.

Skill Development Initiatives

- Apprentice intake enhanced to 10% of manpower strength.
- Preference being given to Apprentices trained in shipyards for recruitment.
- Additional infrastructure created along with new equipment for quality Apprenticeship Training.
- GSL in collaboration with SITEG has created state-of-the-art '**Centre of Excellence for Welding**' for skilling local youths in the Welding Trade Centre, inaugurated on 14th February, 2018.
- GSL has **adopted Vasco ITI** and working to transform it into a model ITI.
- **'Train the Trainer'** program conducted for grooming ITI instructors.
- Special course started in FRP for MCMV project in local institutions.

Swachh Bharat Initiatives

- Friday declared as cleanliness day at GSL.
- GSL celebrated "**Swachhta Hi Seva**" and "**Swachh Bharat Pakhwada**" by involving local community.
- **Adopted 03 local Municipal Wards** in Vasco for cleanliness activities.
- Garbage bins provided to local community.
- Adopted major stretch of a main road in Vasco city for cleanliness.
- Contributed towards '**Safe drinking water and sanitation'** for school children.
- Construction/renovation of toilets in schools and ITI.

Celebrating 1957 - 2017 60 Glorious Years

BOARD OF DIRECTORS



RAdm Shekhar Mital, NM, IN (Retd)
Chairman & Managing Director



Shri Vijayendra



Shri K. Mohandas



Shri S. P. Raikar
Director (Operations)
(Upto 31.05.2018)



Shri T. N. Sudhakar
Director (Finance)



Cmde B. B. Nagpal, NM, IN (Retd)
Director (Corporate Planning,
Projects & Business Development)



Shri S. J. Kamat
Director (Operations)
(From 01.06.2018)

Statutory Auditors
ABM & Associates LLP
Chartered Accountants
Porvorim - Goa

Smt Chhaya Jain
Company Secretary
(From 01-09-2017)

Cost Auditor
CMA V.P. Rammohan Menon
Practicing Cost Accountant
Margao, Goa - 403 602

Secretarial Auditor
Shri Francisco Dias
Practicing Company Secretary
Vasco-da-Gama, Goa - 403 802

Registered Office
Vaddem House,
Vasco-da-Gama, Goa.

Bankers
Vasco-da-Gama, Goa
* State Bank of India
* Canara Bank
* Bank of Maharashtra
* Corporation Bank
* IDBI Bank

CRISIL CREDIT RATING
Long - Term "AAA"
Short - Term "A1+"

GOA SHIPYARD LIMITED

ISO 9001:2008 Certified by IRQS
MGMT. SYS. RvA C 071

MISSION

To be a world class shipbuiding 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 QUALITY POLICY

To design, build & repair ships and provide services at competitive price, on time, meeting the requirements and achieve continual improvement for enhancing customer satisfaction.

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 Management Committee

Name		Designation
RAdm. Shekhar Mital, IN (Retd.)	.....	Chairman & Managing Director
Shri T.N. Sudhakar	.....	Director (Finance)
Cmde. B.B. Nagpal, IN (Retd.)	.....	Director (CPP&BD)
Shri Shrikrishna J. Kamat	.....	Director (Operations)
Shri Balakrishnan Selva Kumar, IPoS CVO, HAL	.....	Chief Vigilance Officer (Addl. charge w.e.f. 09.05.2015)
Shri Mahesh G. Malkarnekar	.....	Chief General Manager (Tech. Services)
Shri A. V. Raviprakash	.....	Chief General Manager (Commercial)
Shri Anthony Norbert D'souza	.....	Chief General Manager (Production)
Shri John K. James	.....	General Manager (Ship Repairs)
Shri R. G. Vaidya	.....	General Manager (HC)
Shri Kulkarni Narasinh Krishna	.....	General Manager (Commercial)
Shri Brajesh Kumar Upadhyay	.....	General Manager (FPG)
Shri Sunil S. Bagi	.....	General Manager (Finance)
Shri Manoranjan Khuntia	.....	General Manager (HR & Admin.)
Cmdt. Sunil Maneshinde	.....	General Manager (Elect. OF)
Shri Allen Peter Caesar	.....	Addl. General Manager (QA & R)
Shri J. Jairam	.....	Addl. General Manager (Vig)
Shri L. V. Raykar	.....	Addl. General Manager (Outsourcing)
Shri Clifford A. Pereira	.....	Addl. General Manager (Planning)
Shri M. B. Anand	.....	Addl. General Manager (Internal Audit)
Shri Kishor Manohar Samant	.....	Addl. General Manager (Legal)
Maj. H.R. Madhusudhan, (Retd.)	.....	Addl. General Manager (Admin.)
Shri Nagesh D. Pai	.....	Addl. General Manager (Modernisation)
Smt. Chhaya Jain	.....	Addl. General Manager - CS
Cdr. Saurabh Jain, IN (Retd.)	.....	TA to CMD (AGM) - Member Secretary
Dr. Vedpal S. Tari	.....	Dy. General Manager - Medical
Shri Bikram	.....	Dy. Commandant CISF
Dr. G. V. Prabhu	.....	Advisor (Medical & OHSE) - Special Invitee



CORPORATE OBJECTIVES

Production & Utilisation of Resources:

1. To design and build sophisticated ships for Navy and Coast Guard organisations with the aim of achieving self-sufficiency in this vital technology.
2. To build commercial vessels like Offshore Supply Vessels, Oceanographic & Coastal Research Vessels, Fishing Vessels, Dredgers, Tugs, etc.
3. To carry out shiprepairs.
4. To promote use of indigenous equipment such as computers, radar, communication equipment, auxiliary machinery, electrical fittings and domestic equipment.
5. To substitute gradually indigenous equipment in place of imported equipment.

Social Objectives:

6. To help build up a strong industrial base through development of ancillaries.
7. Encourage Scheduled Caste/Tribe persons by giving them preference in employment in the company and in the promotion of SC/ST employees as specified by the Government.
8. To ensure that the ecological balance is not disturbed due to industrialisation, through pollution control, wherever required.
9. To reinforce Government's efforts in promoting social justice to the people at large by formulating corporate policies on employment, welfare, workers participation, consistent with the Government's policies. Promote use of Hindi as a medium of communication.

Export Promotion & Import Substitution:

10. Earn foreign exchange through shipbuilding and shiprepair.

Employee Relations & Welfare:

11. To improve productivity by harmonious industrial relations.
12. Promote welfare activities to raise morale of the employees.
13. Promote development of managerial and technical skills of the Company's employees through development programmes and technical training. Provide training to a large number of apprentices for absorption in the Company's own unit and in other industries.
14. To improve standards of safety with the help of a sound safety organisation and training personnel at all levels in safety so as to reduce accidents and loss of manhours.

Raise Productivity by R&D and Quality Control:

15. Maintain high standard of quality through strict quality control measures to the fullest satisfaction of the customer and to build up an image of the Company.
16. Make sustained efforts for self-reliance through continuous R&D on extensive basis and develop viable design capability.
17. Generation and maximization of internal financial resources for enhancing growth and maximization of the return on investment.
18. Enhancement of the Company's share in the total industrial output.



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CHAIRMAN'S ADDRESS AT THE 52nd AGM ON 17TH SEPTEMBER, 2018

"Our future is related with knowledge which is best defined as a combination of science, technology, research and innovation. These together with the speed to develop and deliver are the new strengths." – Hon'ble Minister for Road, Transport and Highways, Shipping and Water Resources, Shri Nitin Gadkari

Ladies & Gentlemen



1. It is my great pleasure to welcome you all, to this **52nd AGM** of your company. **This is the fourth full Financial Year/ Annual Report, which I am presenting after taking over as CMD on 01 Feb 2014.** In the last four years, the Company has established new benchmarks by consistently delivering all Vessels, ahead of contractual delivery schedule, an unparalleled feat in the history of the Indian shipbuilding industry. **We not only stopped the decline and operational losses registered in two preceding years on taking over in Feb 14, but turned the Company around, within one Financial Year i.e FY 15 and thereafter have recorded excellent growth both in VoP and profits, year after year, much ahead of industry standards and our peers. FY 18, has been the landmark year for us, with best ever financial performance, recorded in the history of GSL**.

2. We have always aspired to create superior value for our customers and have succeeded in our endeavours, with timely delivery of Quality ships. **In the pursuit of excellence, we have converted the challenges into opportunities, honed our capabilities, sweat the assets and have embarked on 'programmes of excellence' in improving ship-building methodologies, adopted disruptive technologies for speedy project execution and improved service delivery, while transforming into near future 'a builder of high-end weapon intensive ships'. I believe, these capabilities and new found ways of doing business will continue to hold us in good stead in the long run.** The Annual Report for FY 18, inter alia, containing Audited Financial Statements and Directors' Report were sent to members on 21st August, 2018. I hope you have perused the same with delight.

Financial Performance 2017-18

3. Continuing the growth momentum, FY18 has again been a year of outstanding achievements and the Company has witnessed several new peaks of operating and financial performance. During the year, **the Company's revenue has moved up by 32% YoY from Rs 1102 Cr in FY 17 to Rs 1452 Cr in FY 18, while Operating Profit has moved up from Rs 131 Cr in the previous year to Rs 252 Cr, registering a growth of 92% YoY.** During the FY 18, the Company earned **Profit before Tax (PBT) of Rs 331 Cr, a jump of 87% over**

FY 18 - Revenue up by 32% to Rs 1452 Cr from Rs 1102 Cr in FY 17 and Operating Profit has moved up to Rs 252 Cr from Rs 131 Cr in FY 17, registering a growth of 92% YoY.



previous year's PBT of Rs 177 Cr. This has been made possible due to increase in **Turnover per Employee from Rs 62 Lacs in previous year to Rs 82 Lacs in FY 18** and **Labour Cost as a percentage of VoP coming down to 14.89% in FY 18 from 15.04% in FY 17**, amongst other profit boosting measures. Our '**Turnover per Employee'** is nearly 50% more than other yards for last two years. Further, I am **pleased to state that there are no outstanding audit observations pending till accounts of FY 17**.

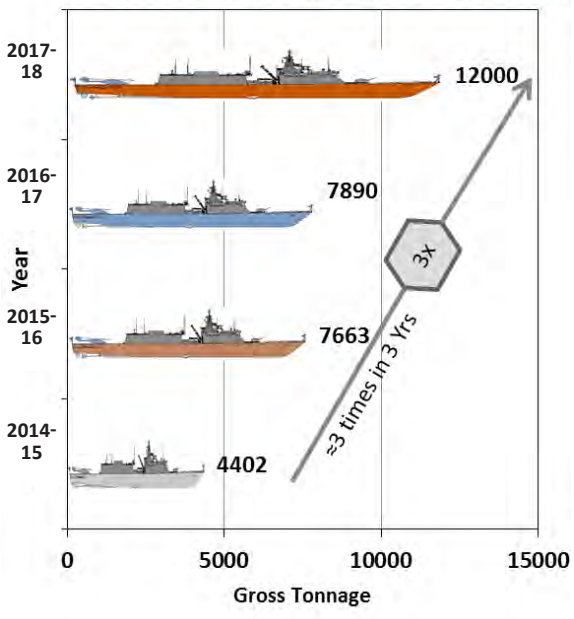
Performance During Last Four years

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18	4 year Change
Revenue (Rs in Cr)	553	681	805	1,102	**1,452**	163%
PBT (Rs in Cr)	(63)	53	111	177	**331**	625%
Turnover Per Employee (Rs in Lacs)	33	36	45	62	**82**	148%
Labour Cost as % of VoP	23.77	23.70	19.83	15.04	**14.89**	9% reduction

4. The Company has celebrated the rich exhilarating performance, recorded year after year **during last four years, with compounded growth in revenue of over 28% and compounded growth of 155% in Operational Profit. With this startling performance, quarter after quarter, our yard, our processes and working model have become a template to follow.** Three OPV Projects (NOPV, CGOPV, SLOPV) completed during last four years, saw considerable improvement from project to project in operational parameters, besides reduction of 'Build Periods' to the delight of our customers. **We have created new benchmarks and our 'Build-Timelines' have become a 'new normal' for the Industry.**

5 The Company, in the last four years has created an enduring culture of outperformance by delivering 26 ships, all ahead of schedule, amounting to 32,000 tonnes, (12,000 tonnes in FY 18 alone), which is the highest in the industry. These include 06 Coast Guard OPVs, 02 OPVs to Sri Lanka, 01 OPV to Indian Navy, 02 Fast Patrol Vessels & 11 Fast Interceptor Boats to Mauritius, 04 x 1000 Ton fuel barges to Indian Navy. Besides this, the Company has also delivered 01 Damage Control Simulator each to Myanmar and Indian Navy.

ANNUAL DELIVERY (GROSS TONNAGE)



163% growth in revenue and 968% growth in Operational Profit achieved during last 04 years.

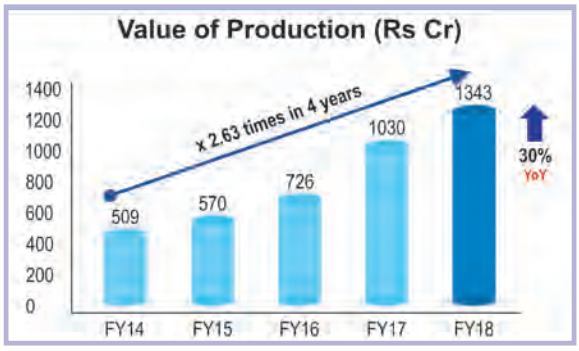
6. Due to focus on execution and deliveries coupled with strategic alignment and refinement in policies, **the Value of Production has surged ~3 times in last 4 years from Rs 509 Cr in FY 14 to Rs 1343 Cr in**

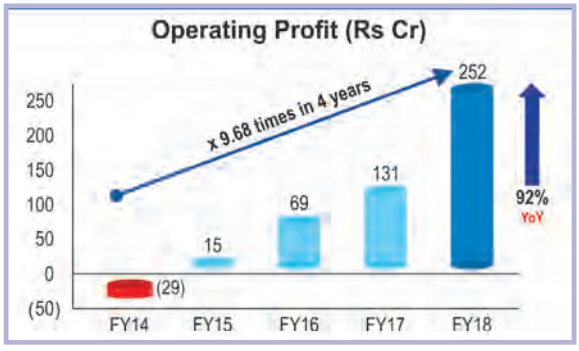


45% of revenue (i.e. Rs 607 Cr) accrued from exports in FY 17-18, a jump of over 7 times in last 04 years

CHAIRMAN'S ADDRESS

FY 18. Compared to Rs (-) 63 Cr Profit Before Tax in FY 14, the Company recorded Rs 331 Cr PBT in FY 18 (CAGR 83.87%). Similarly, Operating Profit has increased manifold from Rs (-) 29 Cr in FY 14 to Rs 252 Cr in FY 18. Turnover per Employee in this period has grown from Rs 33 Lacs to Rs 82 Lacs (growth of 148%). This is almost double than that of other yards. The strong financial performance of the Company over last four years has strengthened our balance sheet. Bank deposits have increased from Rs 409 Cr on 31st Mar 2014 to Rs 912 Cr on 31st Mar 18, an increase of over 123%.





7. **The striking production performances / growth rate have enabled us to emerge as the 'fastest growing shipyard' of the country for last three years.** Another remarkable achievement has been the **settlement of major outstanding dues** to the Company, which included recovery of 25 years old, pending dues of Rs 30 Cr from CCIL, Rs 285 Lacs from A&N Administration, Rs 960 Lacs from KPCL and insurance claim of Rs 826 Lacs for Yard 1205 and 1220.

Bids Submitted

8. Since 2014, we have participated and submitted bids cumulatively valued at Rs 75,500 Cr pertaining to very diverse platforms. The quantum of bids, submitted reflects the work undertaken, to expand the business and order size. The gratifying part is, we have won some, while in majority of other cases, were 2nd by narrow margin. We may have lost some bids, but have gained significantly, in expanding our knowledge base on diverse platforms. This will come very handy in times to come.

Dividend

9. After reviewing the profits for the year and in terms of the Government Guidelines in vogue, the Company paid an Interim Dividend of Rs 5/- per equity share of Rs 5/- each amounting to Rs 58.20 Cr (Rs 70.05 Cr including Dividend Distribution Tax), equals to 100% of the Paid-up Share Capital for FY 18.

10. The Board of Directors are pleased to further recommend, Final Dividend of Rs 5.75 per equity share of Rs 5/- each i.e. 115% of the paid-up share capital for FY 18. **Thus, the total dividend for FY 18 is Rs 10.75 per equity share being 215% on paid-up share capital and total outgo will be Rs 150.74 Cr (including DDT).** This is against 70% Dividend paid in the previous year. The total outgo for final dividend including DDT will be Rs 80.69 Cr (previous year Rs 49.04 Cr).

Total dividend for FY 18 is Rs 10.75 per equity share of Rs 5/- each, being 215% on paid-up share capital, doubled by 1:1 bonus shares issued during last FY

MOU Rating

11. GSL **is the only Shipyard, which, despite difficult market conditions has achieved 'Excellent' MoU rating in FY 17, with unique distinction of 100% marks, a first amongst all DPSUs in last 10 years.** What

is further gratifying is that, based on the MoU data approved by the Board, we are again expected to receive **'Excellent'*** grading **with 100% score in FY 18** also. The Company's MoU rating in last 4 years under present leadership and for earlier periods is placed below.

FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18
Good	Good	Good	V Good	Excellent	Excellent (with 100% marks)	Excellent *

Exports

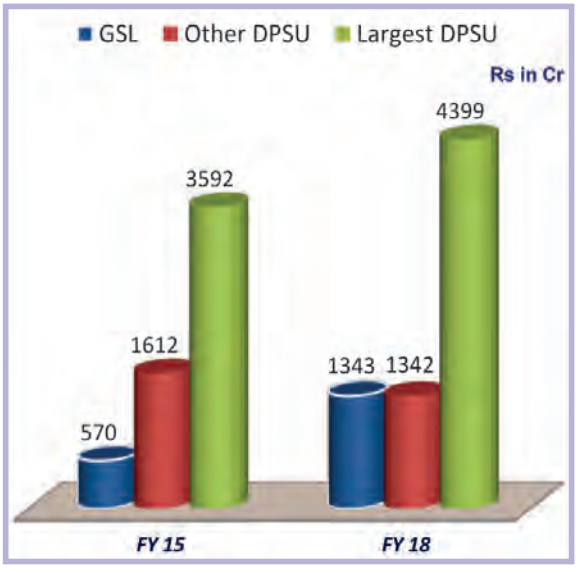
12. With dependable and robust products and committed workforce, the Shipyard has been clocking record breaking performance in exports, year after year and emerged as the largest exporter of defence ships from the Indian sub-continent. In the last four years alone, it has delivered 02 OPVs to Sri Lanka, 11 FIBs and 02 FPVs to Mauritius, and a Damage Control Simulator to Myanmar. The two Sri Lankan OPVs are the biggest warships to be exported from India and largest in the Sri Lankan Fleet. **What is gratifying, is that all these projects were started in 2014/ 2015 and have all been delivered ahead of schedule with superior build Quality. Export contribution has increased to 45% of VoP at Rs 607 Cr in FY 18, compared to near 'nil' Exports in FY 13.** Not resting on the laurels, the Company is working continuously to increase our global footprints and new export projects are being pursued. **The Company is participating in 1.6 Billion US Dollar Brazil Tamandare Class Corvette program,** incorporating various Indian Systems such as **CMS** from **BEL** and **IPMS** from **L&T.** The Company is also hopeful to conclude the LST export project with Nigeria, for which we have emerged L1 in international bidding. We are also working on Mauritius Multipurpose OPV Project, for some time now and expect to conclude the contract in near future.

Consolidating on leadership position in exports, constantly looking for export opportunities – participating in Brazilian Corvette Project, Nigerian LST Project and Mauritius OPV Project

Export contribution increased to 45% of VoP at Rs 607 Cr in FY 18, compared to near 'nil' Exports in FY 13

Benchmarking with Peers

13. The Company in the last 4 years has done much better than its peers, operating in the same ecosystem, in terms of timely deliveries and accompanied financial performance. Considering FY 14 performance as a start point and based on open source data, it would be seen **in terms of VoP in FY 14, GSL had a small VoP of Rs 509 Cr, 1/3rd of size of 2nd largest DPSU with VoP of Rs 1612 Cr. After 4 years, at the end of FY 18, GSL has accomplished cumulative growth of 136% with VoP of Rs 1343 Cr, same as that of 2nd largest DPSU and over 968% growth in Operating Profit, much higher than other shipyards**.





14. In near future, our VoP may go up or down, but what is certain is, **we have altered well-established hierarchy of 60 years of 'Size of Shipyards by VoP', amongst DPSU yards.**

Execution of Shipbuilding & Other Projects

15. The Shipyard has successfully completed Coast Guard Advanced Offshore Patrol Vessel Project involving six ships, with delivery of the last Vessel on 04 Nov 17. **It is a matter of pride that the project was completed in 05 years from 2012-17 with all six Vessels delivered ahead of schedule with time interval of ≈ 05 months between each delivery.** Since the **last AGM held on 26 Sept 17**, the Company has delivered the following vessels:-

(a) **6th CGOPV, Yard 1223 (ICGS Sujay)**, was delivered on 04 Nov 17, **34 days ahead of delivery schedule** and the same was commissioned by **Director General Rajendra Singh, PTM, TM, DGCG** on 21 Dec 17 at GSL.

(b) **2nd Sri Lanka AOPV** of new 105 M, Yard 1229 (SLNS Sindurala), was delivered on 22 Mar 18, **25 days ahead of contractual delivery** schedule.

(c) **2nd, 3rd and 4th Fuel barges of the 4 x 1000 Tonne fuel barges** were delivered on 02 Dec 17, 14 May 18 and 24 Jul 18 respectively, 33, 52 and 134 days, ahead of delivery schedules.

06 CGOPV Project – Most successful shipbuilding project in Indian shipbuilding, with all deliveries made ahead of schedule within record 02 yrs

16. The successful back to back launching/ delivery of numerous vessels demonstrates GSL's competency and capability of handling large and voluminous work involved in execution of large scale concurrent projects in a compressed time frame. **This level of execution and delivery track record has fuelled over 70% growth in VoP and over 233% increase in PBT in last two years. These exceptional results reaffirm our commitment to further reduce the 'Build Period' to 32 months for the ongoing 05 CG OPV and improve shipbuilding processes.**

Ship Repairs (SR) and General Engineering Services (GES)

17 SR and GES sections have been consistently contributing about **17-20% share in the VoP.** A **jump of 16% has been recorded in VoP at Rs 224 Cr from SR and GES, as compared to Rs 193 Cr in the previous year**. During the year, the Company undertook refit of six vessels which included Sail Training Ship, Patrol Vessels and Supply Vessels. Two of these refits were Normal Refits from Indian Navy involving complex and complicated work and both refits were delivered on time. Based on the quality of work and timely completion of repairs, Navy entrusted GSL with the refit of second Sail Training Ship. **During FY 18, the Yard has secured refit orders of over Rs 100 Cr, a jump of over 9 times from last year. This is more than the cumulative refit work done in last 10 years.** Out of the above, the Yard has executed, Ship Repair works amounting to Rs 69 Cr during FY 18. Balance work has also been completed by June, 2018.

During FY 18, secured refit orders of over Rs 100 Cr, a jump of over 9 times from last year and more than the cumulative refit work done in last 10 year. All refits have since been completed within the schedules

18. **The execution of Nuclear Biological Chemical Training Facility (NBCTF) for the Indian Navy at INS Lonavla is progressing ahead of schedule.** The Company continues to



execute Stern Gear supply orders for Naval/ Coast Guard OPVs. The Shipyard continued its collaboration with M/s Griffon Hoverworks Limited (GHL), UK, a key player in hovercraft design, for the forthcoming requirement of Indian Coast Guard.

Order Book Position

19. As on 31st March 2018, the net value of outstanding work, against orders received amounts to Rs 1984 Cr (approx). This doesn't include Frigate Project, for which PNC at about Rs 14,250 Cr has already been completed and further modalities leading to CCS sanction and contract conclusion are being progressed and likely to be concluded in this calendar year.

Future Prospects

20. Our vision for the future is to continue to strive hard, to propel strong yet sustainable growth and contribute to India's economic and social growth story. **The Company is focusing on launch of two CGOPVs in this Financial Year**. **The launching of first two CGOPVs have suffered delays due to indigenisation of 'Gear Box' taken up with the local Pune based firm, which has delayed the supply by over six months. The same are expected to be received in Oct / Nov 2018. With mitigation plan put in place, the Company is confident to absorb this delay, within the contractual delivery schedule of the ships.**

21. Going ahead, the Company has been transformed to execute high end **technologically advanced, import substitute weapon intensive projects, namely 12 Mine Counter Measure Vessels and 02 Advanced Missile Frigates**. Maximum management bandwidth over last four years has been spent on these two advanced, ambitious, futuristic weapon intensive projects of the Navy. **The efforts put in, in last four years would be approx 2% of contract value of these high end projects, which are yet to be monetized and will yield benefits inter-alia to Balance Sheet going forward. The Company has made good progress on the Missile Frigate Project and the contract is likely to be signed with MoD by this yearend. The preparatory activities are in full swing for production to commence in mid 2020.** With these Projects, the Company has **broken the barrier and moved into big league of weapon intensive projects**. **This is the major strategic shift, which we have successfully brought about, to align our order book with weapon intensive complex projects**. It has enhanced Shipyard's scale of operations, as till now, the Company was handling projects upto Rs 2000 Cr and with Missile Frigates Project, the **Shipyard for the first time will be handling high value Project valued at over Rs 14,250 Cr**.

Scheduled to commence construction of 02 Advanced Missile Frigates from mid 2020 onwards – ushering a new epoch of highly advanced weapon intensive platforms

22. **Besides MCMV and Frigate Projects, the Company is foraying into new areas of technologically advanced vessels and also exploring avenues through backward integration in systems to create higher core competencies.** This has also become necessary due to Govt. moving towards '**Competitive'** orders in future. Further, as per Govt's directions to expand our foot print globally and expand our focus on exports, theCompany has submitted an offer to a friendly country for a Floating Dry Dock and is also bidding aggressively for international programmes. **Participation in the Brazil Corvette Program is a step in this direction and proof of our capabilities and newfound confidence in executing weapon intensive projects. Further, the Company is also pursuing aggressively the three prospective**



orders cumulatively valued at ≈Rs 2100 Cr and are at near finalization stages. These include supply of a Multipurpose Vessel to Mauritius under G2G route, 02 LSTs for Nigeria as per L1 status under global bidding and 160 Boats to MHA for which we have emerged L1 under competitive bidding. In next 2-3 years, our turnover will be dictated by these orders and any other orders which the Company may win in this period. Also there are approx. Rs 20,000 Cr Shipbuilding Projects of the Indian Navy which are likely to be tendered in the next few years and the Shipyard aims to participate in them actively. The Company has also chalked out plans to participate in the acquisition program of Indian Navy for acquisition of Unmanned Vessels.

Aggressively pursuing three prospective orders cumulatively valued at ≈Rs 2100 Cr - Multipurpose OPV to Mauritius under G2G route, 02 LSTs for Nigeria as per L1 status under global bidding and 160 Boats to MHA as per L1 status.

Backward Integration

23. Apart from above major import substitute projects, the Shipyard has excelled in backward integration and has been on the forefront of adapting and bringing best of the world class, niche technologies to GSL/ India through collaborations and tie-ups with world leaders. Major ones include following:-

Foraying into high end niche marine technologies through R&D and multiple collaborations with world leaders to enhance backward integration.

(a) Technology collaboration with M/s Naval Group (formerly M/s DCNS), France, for all types of submarine simulators.

(b) Indigenous construction of MTU 8000 series engines (taken up for MoD approval).

(c) Stabiliser systems through NAID, UK. FATs of the stabiliser systems, with significant local content, for 05 CG OPV Project have already been completed successfully.

24. The Company has also acquired an industrial plot, measuring 11,500 m^2 at Sancoale for executing above initiatives. **These tie-ups reflect, that the Company has emerged as a preferred partner for foreign MNCs, to support Government of India 'Make in India' program.** Majority of these technologies have been hitherto imported 100% in the country. These collaborations will enable GSL / India attain self-sufficiency in niche technologies and reduce dependence on foreign OEMs, besides significantly increasing the indigenous content of ships, constructed at GSL or elsewhere in the country.

MCMVs and Infrastructure Modernisation

25. The case for construction of 12 Mine Counter Measure Vessels (MCMVs) by GSL for the Indian Navy at a budgetary cost of Rs 32,600 Cr is currently being progressed with the MoD. Towards augmentation / modernisation of infrastructure for this Project, the Company has made steady progress. Post inauguration of phase 3A facility in Nov 2016 by Hon'ble Prime Minister, balance Phases 3B and 4, comprising of facility for erection of GRP Hull Workshop and other workshops for upcoming





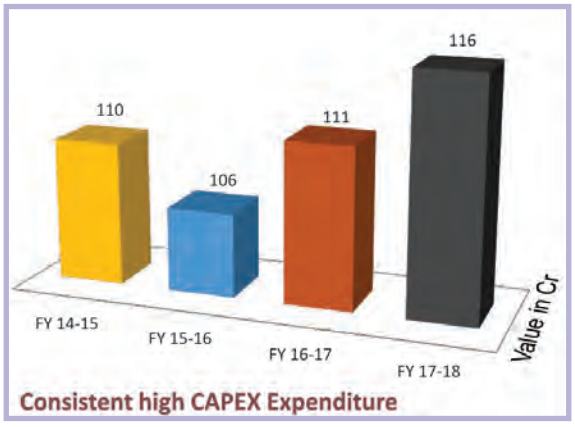
Successful culmination of 02 Sri Lanka AOPV Project in March 18 with delivery of both ships, ahead of contractual delivery schedules

MCMV Project, have made steady progress and are scheduled for completion progressively by end 2020. The main MCMV air-conditioned bay will be ready in another 6-8 months. The accommodation facility for the foreign specialists for the ToT Projects is near completion and will be commissioned next month. The MCMV Command & Control Centre being constructed at a cost of Rs 122 Cr is also expected to be ready by mid-2020. The Shipyard has been the **highest spender of CAPEX amongst DPSU Shipyards, with excess of Rs 100 Cr spent annually for last seven years and will continue with major CAPEX program for another three years. Shipyard has incurred cumulative CAPEX of Rs 535 Cr in the last 05 years, with projects of ≈Rs 400 Cr in progress**.

Readying for commencement of MCMV Project – 80% of infrastructure completed & balance 20% facilities likely to be completed by mid 2020.

Implementation of Government Programs

26. GSL has been the flag bearer in implementing various programs launched by the Government, including imbibing usage of AI in new products and registration of Patents etc. Proactive steps are being taken for involvement / development of local industries under 'Make in India' for maximising indigenous content in future projects. **It is a matter of great pride that Purchase Preference Policy introduced by GSL in Oct 2015, for locally manufactured items, was extended countrywide by Central Govt. with some changes in 2017.** The Company has aligned Purchase Preference clause in line with MoD Order for Public Procurement. Several initiatives of the Company towards encouragement of MSMEs resulted in ≈ 30% of procurement from MSE sector. The Company has also started e-discounting of MSME bills through TReDS/ RXIL system, for reducing the working capital needs of MSMEs. The Company was also instrumental in implementing various schemes under 'Swachh Bharat' and 'Skill Development'.



Consistent high CAPEX Expenditure

27. **Skill Upgradation**. **In line with the Govt policy of 'Skill Development', the Company has given ample emphasis on Skilling its workforce in the niche area of Shipbuilding Trades in collaboration with SITEG, IRS etc.** Towards execution of MCMV, Frigate Project and engine manufacturing, there is need to upskill our work force in Digital Manufacturing, PLM, Integrated Design etc. It is planned to train GSL manpower on 3D Product Design, Advance Manufacturing, Hull Design, Automation, Welding Technology, Virtual Reality, Advance Machine & Robotics etc by collaborating with specialised Skilling Agencies like 'Centre for Excellence in Maritime and Shipbuilding' (CEMS). It is envisaged that this will help us to migrate our work force for future high end weapon assignments.

Research and Development

28. GSL has the distinction of being one of the few Indian Shipyards, armed with in-house R&D capability. In order to foster innovation in all spheres of operation, the Company has taken considerable steps. 3D hull structural model and outfitting model for Coast Guard OPVs have been



developed in AVEVA Marine software. The Shipyard has excelled in design and construction of OPVs, wherein the design has been improved project after project to improve operational efficiency. The OPVs delivered to Coast Guard and thereafter to Sri Lanka have several advanced design features resulting in less-resistant underwater hull form, leading to better fuel efficiency, higher stability and smaller turning circle, which has been widely appreciated by users.

Awards During the Year

Awarded RM's Award for 'Best Performing Shipyard for FY 16, 'Best Performance in Exports' and 'Excellence in Design Efforts' for FY 15.

29. The exceptional performance of the Company has been regularly recognised by the Govt/ MoD. **The Company was conferred with maximum awards by the Hon'ble Raksha Mantri during RM's Excellence Award ceremony on 31 May 2017**, which included **'Best Performing Shipyard'** for FY 16, **'Best Performance in Exports'** for FY 15 and **'Excellence in Design Efforts'** for FY 15. On the basis of our performance in FY 17 and 18, we again expect rich windfall for us, during ensuing award ceremony. Further, GSL was awarded **National Project Excellence Award 2016** on 21 Aug 2017 from PMA India for **105 m AOPV for Sri Lanka** and **IEI Industry Excellence Award 2017** on 23 Dec 2017 from 'The Institution of Engineers' for demonstrating highest order of business excellence**.**

Corporate Governance

30. 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. As per the Annual Grading Report on Corporate Governance for FY 18, the Company has achieved **"Excellent" grading**.

Corporate Social Responsibility

31. The Company has been contributing immensely towards social development and enriching quality of life of the weaker sections of society and have participated in large number of community projects, with an aim to promote inclusive growth of the society and environmental sustainability, in fulfilment of its role as a Socially Responsible Corporate. Immense support has been extended to society in Goa particularly to Educational Institutes, State Govt & Local authorities etc.

32. Medical camps, Dental and Eye check-up, Cataract detection camps, distribution of free medicines and spectacles, Mobile Medical Project, Watershed Development Project, Skill Development Project were some of the key CSR activities undertaken during the year, positively impacting life of more than 10000 families. Success stories of some of these have been highly appreciated by the State Govt at various fora.

Human Resource, Welfare, Health and Safety

33. The Company continues to adopt best HR practices for motivation of its employees which are its main resource. High performing employees have been rewarded, through various means including nomination for special courses/ training etc. The Performance Appraisal System has been fully computerised and is being shared with its employees, to bring more transparency.

34. **The Company's Medical team is working effectively in its efforts to realize the notion of "Healthy Workplace, Healthy Workforce".** The Company is providing free medical benefits through various medical



camps viz. Eye check-up, Dental, Diabetes, Heart, Ayurveda, Homoeopathy etc. **As an extended medical service, the Company has opened Family Polyclinic services for the employees and their families. The Company has also started its in-house medical laboratory facility to all its beneficiaries.** A modern & well equipped **crèche-cum-day care facility** has been started to provide work-life balance to the women employees. **Numerous other workers friendly policy particularly related to Medical benefits in service and after retirement, Pension scheme etc have been introduced which have resulted in providing better working environment in the Company.**

10 years Wage settlement, arrived with 'Employees Unions' w.e.f. 01 Jan 17, in record 06 months' time, post promulgation of Govt directives.

35. **10 years Wage settlement, as part of Pay Commission recommendations, has been arrived, with the 'Employees Unions', w.e.f. 01 Jan 17, in record 06 months time, post promulgation of Govt/ DPE directives**. We are one of the select few PSUs to implement the wage settlement so quickly. **It reflects the prevalent mutual trust between the management and the employees. I would like to acknowledge the contribution of each and every employee, without which your Company wouldn't have been on this juncture of excellence.**

Handing over of Reigns to Cmde BB Nagpal as CMD wef 01 Dec 2018

36. Post completion of 4 years and 9 months of a very satisfying tenure at the Company, I will be handing over the reigns of the Company on 30 Nov 2018 to Cmde BB Nagpal, who has been working in the Company **since Aug 2016, in the capacity of Director (CPP&BD).** Since he has been actively involved in the day to day policies of the management and the decision making process, he is well versed with the functioning of the Company and one of the key architect of our growth. **With all his acquaintance with the Company, capabilities and charm, I am sure, he will take Company to further glorious heights.**

Appreciation

37. The Government policies and support have been a major enabler in the continued journey for transformational reform at GSL. **I am particularly thankful to Hon'ble Raksha Mantri, Hon'ble Raksha Rajya Mantri, Defence Secretary, Secretary (DP), DG(Acq), FA(DS), JS(NS), JS(Acq), AFA and all other officers of MoD / DP, Acquisition and Finance Wings of MoD,** who have played a very proactive and positive role in all our endeavours.

38. **During the currency of my tenure, I had the additional charge of Director (Finance) and Director (CPP&BD) for approx one year each, which provided me the opportunity to deal with these Divisions directly.** Further, I had worked with two Directors (Operations), two Directors (Finance) and two Directors (CPP&BD) and would like to place on record, the unstinted support provided by all Directors (both full time and non-official Directors), Departments and the Board for **steering the Company** to the present high levels, as evident from the growth and enhanced status of the Company. I am thankful for their support, co-operation and guidance. **I am particularly thankful to JS(NS) Shri Vijayendra, who in dual role of JS(NS) as key facilitator in MoD and as Govt Director on Board has always supported our initiatives. I acknowledge the efforts of 'Team GSL', every worker and officer involved passionately in driving GSL's journey for growth, during last four and half years**.

39. I would also like to place on record our thanks **and appreciation for assistance, co-operation and guidance received by the Company from various Ministries of the Government of India, IHQ/ MoD, the**



Indian Coast Guard, Comptroller & Auditor General of India, Controller of Defence Accounts (Navy) and Government of Goa, and look forward to their continued support in the future. I acknowledge with gratitude the continuous **patronage and support received from the Company's clients, OEMs, Vendors and all stakeholders**. I also thank the **Classification authorities, Company's Bankers, Insurers and Auditors** for their help and co-operation. I thank one & all, who have been part of my journey at GSL and making it interesting and successful.

40. Thank you for your kind attention and I wish you glowing success for all the years to come.

Jai Hind

CHAIRMAN

Note: This does not purport to be a record of the proceedings of the 52nd Annual General Meeting.



Celebrating 1957 - 2017 60 Glorious Years

Project Deliveries





Commissioning of ICGS 'Shaurya' by Shri Dharmendra Pradhan, Minister of State for Petroleum & Natural Gas on 12 Aug 17



Commissioning of ICGS Sujay, 6th in the series of CGOPV at the hands of DG Rajendra Singh, DGCG on 21 Dec 17



Induction Ceremony of 3rd Fuel Barge on 15 May 18



Induction Ceremony of 4th Fuel Barge 24 Jul 18

Celebrating 1957 - 2017 60 Glorious Years

Exports

MAKE IN INDIA



Handing over of SLNS Sayurala (Y 1217) on 22 Jul 17



Commissioning of MCGS 'Valiant' by Shri Pravind Kumar Jugnauth,
Hon'ble PM of Mauritius at Port Louis, Mauritius on 16 Aug 17



2nd SLOPV 'Sindhurala' commissioned by H.E. Ranil Wickremesinghe,
Hon'ble PM of Sri Lanka at Colombo on 19 Apr 18

NOTICE

NOTICE is hereby given that the Fifty-second Annual General Meeting of the Members of Goa Shipyard Limited will be held as under:

Day	Monday
Date	17th September, 2018
Time	1615 hours
Venue	Registered Office of the Company, Vaddem, Vasco da Gama, Goa,

to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Financial Statements including the Balance Sheet as at 31st March, 2018 and the Statement of Profit & Loss for the year ended on that date together with the Directors' and Auditors' Reports thereon.
2. To confirm the Interim Dividend paid during the year and to consider and declare Final Dividend for the Financial Year 2017-18.
3. To appoint Directors in accordance with Article 117(2) of the Articles of Association of the Company.
4. To fix the remuneration of Auditors to be appointed by the Comptroller & Auditor General of India for the Financial Year 2018-19, pursuant to Article 174 of the Articles of Association of the Company by passing, with or without modifications, the following resolution as an Ordinary Resolution:-

   "RESOLVED THAT the remuneration of Auditors to be appointed by the Comptroller & Auditor General of India for the Financial Year 2018-19 be fixed at Rs 3,00,000/- plus GST and out of pocket expenses at actual plus applicable taxes, if any."

SPECIAL BUSINESS

5. To ratify the remuneration payable to the Cost Auditor appointed by the Board of Directors of the Company for the Financial Year 2018-19, pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, by passing, with or without modifications, the following resolution as an Ordinary Resolution:-

   "RESOLVED THAT pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 and 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, payable to the Cost Auditor appointed by the Board of Directors of the Company to conduct the audit of cost records of the Company for the Financial Year 2018-19 be and is hereby ratified."

By Order of the Board

(CHHAYA JAIN)
COMPANY SECRETARY

Vasco da Gama, Goa
28th June, 2018



NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY**.

2. The instrument appointing a proxy or other authority, if any, should, in order to be effective, be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting.

   A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

3. The Company has implemented the Electronic Clearing Service (Credit Clearing) System (ECS) introduced by Reserve Bank of India, which provides an option to collect half-yearly/yearly dividend directly through the Bank Account. The ECS System would help the Company to effect quick, hassle free payment of dividend and thus serve the Members in better way. The Members were requested to participate in the Electronic Clearing Service (Credit Clearing) System (ECS) and to fill in and forward to us the Mandate Form attached therewith. The information to be furnished in the Mandate Form for Electronic Clearing Service (Credit Clearing) should be accurate, complete in all respects and duly certified by your bank. Those Members, who have not yet sent the duly filled and signed Mandate Form, are requested to send the same to us at Goa Shipyard Limited, Vasco-da-Gama, Goa – 403802, immediately.

4. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to Special Business to be transacted at the meeting is annexed hereto.

5. Members are requested to notify immediately, change in their address and email id, if any, to the Company.

6. The dividend, if declared, will be paid to those members, whose names appear in the Register of Members of the Company as on 17th September, 2018.

7. The Company has transferred unpaid or unclaimed dividends declared up to financial years 2009-10 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 26.09.2017 (i.e. date of the previous Annual General Meeting) on the website of the Company www.goashipyard.in and also on the website of the Ministry of Corporate Affairs www.mca.gov.in.

8. Pursuant to the provisions of Section 124 of the Companies Act, 2013, as amended, dividend for the Financial Year 2010-11 which remains unpaid or unclaimed for a period of seven years will be transferred to the Investor Education & Protection Fund of the Central Government on or before 14.10.2018. Members who have not yet encashed the Banker's Cheques/ Demand Drafts issued for



payment of dividend for the said Financial Year are requested to make their claim to the Company without any delay.

9. 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, shares in respect of which dividend have not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of IEPF. Accordingly, the Company had transferred the shares in respect of which dividend declared for the Financial Year 2008-09 remained unpaid or unclaimed by the members for 7 (seven) consecutive years or more. There were no shares in respect of which dividend declared for the financial year 2009-10, liable to be transferred to IEPF.

10. Shareholders may note that shares in respect of which dividend declared for the Financial Year 2010-11 has not been paid or claimed by the members for 7 (seven) consecutive years or more shall be transferred to IEPF Authority on or before 14.10.2018. The Company has already initiated necessary action for transfer of the aforesaid shares. Members are advised to visit the website of the Company www.goashipyard.in to ascertain details of shares liable to be transferred in the name of IEPF Authority.

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

1. The following statement sets out all material facts relating to special business mentioned in the accompanying Notice:-

Item No. 5

2. The Board, on the recommendation of the Audit Committee, has approved the appointment of CMA V P Rammohan Menon as Cost Auditor to conduct the audit of Cost Records of the Company for the Financial Year 2018-19 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.

3. In accordance with the provision of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

4. Accordingly, the Board recommends to the Members to ratify the remuneration payable to the Cost Auditor for the Financial Year 2018 - 19, by passing the proposed resolution set out at Item No. 5 of the Notice as an Ordinary Resolution.

5. None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financial or otherwise, in the said resolution.

By Order of the Board

(CHHAYA JAIN)
COMPANY SECRETARY

Vasco da Gama, Goa
28th June, 2018



DIRECTORS' REPORT FOR THE YEAR 2017-18

To

The Members,

1. The Directors are pleased to present the 52nd Annual Report on business and operations of the Company, together with the Audited Financial Statements for the year ended 31st March, 2018.

BUSINESS OVERVIEW

2. The current report is the fourth full financial year report submitted by the Board of Directors headed by Chairman and Managing Director RAdm. Shekhar Mital, NM, IN (Retd.), who took over the reins of the Company on 1st February, 2014. Your Company, in last four years, has shown continuous progress and acceleration in all financial and operational parameters. **The Company has exhibited unparallel performance in Shipbuilding industry by delivering over 24 ships in last four years, which includes 09 OPVs, 02 FPV, 11 FIBs and 02 1000 T Fuel Barges, all ahead of contractual schedule**. Besides this, the Company has also delivered two Damage Control Simulators ahead of schedule. This amounts to 32000 tonnes of shipbuilding, out of which 12,000 tonnes were delivered in FY 2017-18 alone, the highest in the shipbuilding industry. The throughput achieved validates the processes and productivity which has consistently increased year on year.

3. This strong execution driven performance has translated into sound financials as the Value of Production (VoP) has jumped by approximately 3 times in last four years to record highest VoP ever of Rs 1343 Cr for FY 2017-18 from Rs 509 Cr in FY 2013-14. Similarly, the Profit Before Tax (PBT) has increased by about 6 times from (-) Rs 63 Cr in FY 2013-14 to Rs 331 Cr in FY 2017-18. The performance can also be gauged from 'Excellent' MoU rating received by GSL in last financial year with unique distinction of 100% marks, first amongst all DPSUs in last 10 years.

4. **Exports**: The Company has made significant inroads into global market with export of diverse vessels to Indian Ocean Region (IOR) Countries. The Company's share of export has increased exponentially year after year. Export contribution to VoP has increased to 45% at Rs 607 Cr in FY 2017-18, compared to Rs 83 Cr in FY 2013-14. The Company has maintained its eminence and has retained its position as the largest exporter of defence ships from India in last 3 years. The Company is taking steps to further consolidate its position in the years ahead.

5. **Operational Performance:** The Company has scaled new heights in Shipbuilding, with consistent "**ahead of schedule deliveries**" of Shipbuilding Projects in last 4 years and progressive reduction in '**Build Periods**'. **During the year 2017-18, the Company has delivered the following ships, all ahead of contractual schedule**:-

(a) 1st and 2nd Sri Lanka Offshore Patrol Vessels of new 105 M AOPV class to Sri Lanka Navy,

(b) 5th and 6th Coast Guard Offshore Patrol Vessels of new 105 M AOPV Class.

(c) 2nd Fast Patrol Vessel of 50 M FPV class to Govt. of Mauritius, and

(d) First two barges of the 04 x 1000 T Fuel Barges Project of the Indian Navy. Further 3rd and 4th Barges have been progressing well ahead of schedule with aimed deliveries in April and June, 2018 respectively.



6. **Future Projects**: The Company is poised to unleash its shipbuilding potential further by taking on two challenging import substitute projects for the Indian Navy.

PERFORMANCE HIGHLIGHTS AND FINANCIAL RESULTS

7. **Revenue from Operations**: FY 2017-18 was a significant year for the Company as the Company continued and excelled on the path of its consistent performance. During the year under review, the Company achieved VoP of Rs 1343 Cr (highest in the history of GSL) as against Rs 1030 Cr in the previous year, registering an impressive growth of 30%. **In the last 4 years, the Company has registered over 164% cumulative growth in VoP**. The Revenue from Operations during 2017-18 and the previous year are given below :-

(Rs. in crore)

	Revenue from Operation		
	2017-18	**2016-17**	**Increase YoY %**
Ship Construction	1118.82	836.83	34
Ship Repairs	68.72	11.47	499
General Engineering	155.13	181.90	(15)
Total Value of Production	**1342.67**	**1030.20**	**30**
Other Operating Revenue	30.76	25.25	22
Total	**1373.43**	**1055.45**	**30**

8. **Financial Performance**: FY 2017-18 has again been a year of outstanding achievements and the Company has **earned Operating Profit of Rs 252 Cr as against Rs 131 Cr in the previous year, registering a growth of 93% YoY.** During the year 2017-18, the Company earned **Profit before Tax (PBT) of Rs 331 Cr a jump of 86% over previous year's PBT of Rs 177 Cr**. The Financial Performance of the Company for FY 2017-18 and for the previous year is summarized below:

(Rs. in crore)

	2017-18	2016-17	**Increase YoY %**
Gross Revenue	1452.46	1102.37	32
Revenue from Operations	1373.43	1055.45	30
Earnings before Interest, Taxes & Depreciation	373.94	216.19	73
Less: Finance Costs	0.79	1.79	
Less : Depreciation	42.61	36.95	
Profit Before Tax	**330.54**	**177.45**	**86**
Less: Tax Expense	113.21	60.05	
Profit After Tax	**217.33**	**117.40**	**85**
Other Comprehensive Income (net of tax)	(1.75)	0.76	
Total Comprehensive Income	**215.58**	**118.16**	**82**
Appropriation			
Amount available for appropriation (including Opening Balance)	**268.69**	**134.48**	
Less: Dividend paid for the previous year	40.74	18.62	119
Dividend paid as % of Share Capital	70%	64%	
Less: Interim Dividend paid	58.20	Nil	
Less: Dividend Distribution Tax Paid	20.15	3.79	
Balance	**149.60**	**112.07**	



9. **MoU Rating**: The Company bagged '**Excellent**' MoU Performance rating for the **second time in a row, with unique distinction of securing 100% marks, first amongst all Shipyards in last 10 years.** Further, in terms of actual achievements vis-à-vis parameters laid down in the MoU signed with the Government for the year 2017-18, **the Company has achieved excellent MoU parameters and once again expects 'Excellent' rating for its performance during 2017-18**. **All these performances become more extraordinary when benchmarked with other Public/Private Shipyards for 1 year or 4 years period cumulatively.**

DIVIDEND

10. 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 recommended and paid an Interim Dividend of Rs 5/- per equity share of Rs 5/- each amounting to Rs 58.20 Cr (Rs. 70.05 Cr including Dividend Distribution Tax), equals to 100% of the Paid-up Share Capital of Rs 58.20 Cr, for the year 2017-18, as against Dividend of Rs 40.74 Cr equal to 70% of the Paid-up Share Capital in the previous year.



GSL handed over Dividend of Rs 20.81 Cr for FY 16-17 to Hon'ble Raksha Mantri Smt Nirmala Sitharaman

11. The Board of Directors are pleased to further recommend final dividend of Rs 5.75 per equity share of Rs 5/- each i.e. 115% of the paid-up share capital for the year 2017-18. The total outgo for final dividend including DDT will be Rs 80.69 Cr. **Thus, the total dividend for the year 2017-18 is Rs 10.75 per equity share being 215% on paid-up share capital and total outgo will be Rs 150.74 Cr (including DDT).**

FINANCE

12. **Paid-up Share Capital:** The Paid-up Share Capital of the Company as on 31st March, 2018 was Rs 58.20 Cr.

13. **Reserves:** The other equity representing various reserves and P&L accounts balance stood at Rs 850.90 Cr as at the end of the year prior to declaration of final dividend of Rs 66.93 Cr as proposed and Rs 13.76 Cr being DDT thereto. This consists of Capital Reserve Rs 0.43 Cr, General Reserve Rs 700.87 Cr and P&L a/c Rs 149.60 Cr.

14. **Loans:** The Company neither had any outstanding loans nor has taken any fresh loan from the Government during the year.

15. **Foreign Exchange earnings and outgo:** The foreign exchange outgo during the year was Rs 90.82 Cr (previous year Rs 180.31 Cr) and the earning in foreign exchange was Rs 177.94 Cr (previous year Rs 398.82 Cr).

16. **Financial Position:** The financial position of the Company as on 31st March, 2018 and previous year is shown below:-

(Rs. in crore)

	As on 31.03.2018	As on 31.03.2017	Increase YoY %
Capital Employed	1310.65	1176.17	11
Working Capital	530.40	316.04	68
Net Worth	908.67	812.17	12
Value Added	637.34	403.59	58
Ratios:	%	%	
Profit before interest and tax : Capital Employed	25.28	15.24	10.04
Profit after tax : Net worth	23.92	14.46	9.46
Value added : Capital employed	48.63	34.31	14.32

CONTRIBUTION TO EXCHEQUER

17. The Company's contribution to the Exchequer during 2017-18 has increased by 153% on YoY to Rs 254.59 Cr. The Company's contribution to the Exchequer during 2017-18 and the previous year is given below:

(Rs. in crore)

Particulars	2017-18	2016-17
A. Dividend	50.55	9.51
B. Taxes:		
i. Central Exchequer:		
a. Corporate Tax	120.50	49.00
b. Tax on Distributed Profit	20.14	3.79
c. Goods & Services Tax	61.52	--
d. Central Sales Tax	0.70*	1.70
e. Service Tax	0.80*	4.26
f. Central Excise duty	0.06*	0.18
ii. State Exchequer:		
a. VAT	0.32*	32.28
Total	**254.59**	**100.72**

*Note: Three months (April, 2017 to June, 2017) for FY 2017-18.

SHIP CONSTRUCTION

18. **Launching of Ships:** 2nd Sri Lankan 105 M AOPV, Yard 1229, was launched on 2nd May, 2017.

19. **Delivery of Ships.** Following ships were delivered during the year:-

Indian Coast Guard

(a) **Fifth CGOPV, Yard 1222 (CGS Shaurya)**, was delivered on 7th July, 2017, **32 days ahead of delivery schedule** and the same was commissioned by **Shri Dharmendra Pradhan, Hon'ble Minister of State (Independent Charge) for Petroleum & Natural Gas** on 12th August, 2017 at GSL.

(b) **Sixth CGOPV, Yard 1223 (CGS Sujay)**, was delivered on 4th November, 2017, **34 days ahead of delivery schedule** and the same was commissioned by **Director General Rajendra Singh, PTM, TM, Director General Indian Coast Guard** on 21st December, 2017 at GSL.



Expanding global footprints - Emerged L1 in Global tender for LSTs floated by Nigerian Navy

04 Nov 17



Handing over of ICGS Sujay (Y 1223) the last in the series of 6 CG OPV

21 Dec 17



Commissioning of ICGS Sujay by DG Rajendra Singh, PTM, TM DGCG

Export Orders

(c) **Second Mauritius 50 M FPV**, Yard No. 1232 (MCGS Valiant), was delivered to Government of Mauritius on 30th April, 2017, **100 days ahead of contractual delivery schedule** and the same was commissioned by **Mr. Pravind Kumar Jugnauth, Hon'ble Prime Minister of Republic of Mauritius** on 16th August 2017 at Port Louis, Mauritius.

(d) **First Sri Lanka AOPV** of new 105 M, Yard 1217 (SLNS Sayurala), was delivered on 22nd July 2017, **86 days ahead of contractual delivery schedule** and the same was ceremoniously commissioned on 2nd August, 2017 at Colombo at the hands of **Mr. Maithripala Sirisena, Hon'ble President of Sri Lanka**.

(e) **Second Sri Lanka AOPV** of new 105 M, Yard 1229 (SLNS Sindhurala), was delivered on 22nd March, 2018, **25 days ahead of contractual delivery** schedule.

30 Apr 17



GSL delivered 2nd FPV MCGS 'Valiant' to Mauritius

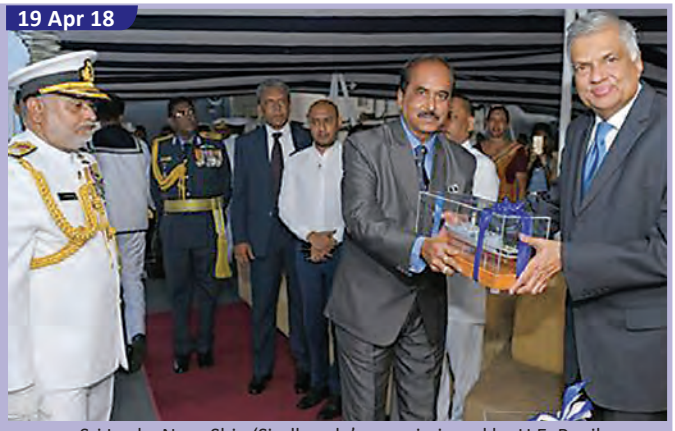
02 Aug 17



Sri Lanka Navy Ship 'Sayurala' commissioned by H.E. Maithripala Sirisena, President of Sri Lanka at Colombo



Handing over of SLNS Sindurala Y 1229



Sri Lanka Navy Ship 'Sindhurala' commissioned by H.E. Ranil Wickremesinghe, Prime Minister of Sri Lanka at Colombo

SHIP REPAIRS

20. During the year, the Company undertook refit of six vessels which included Sail Training Ship, Patrol Vessels and Supply Vessels. Two of these refits were Normal Refits from Indian Navy and were delivered on time. Based on the quality of work and timely completion of repairs, Navy entrusted GSL with the refit of second Sail Training Ship. **During FY 2017-18, the Yard has secured refit orders of over Rs 100 Cr, a jump of over 9 times from last year. This is more than the cumulative refit work done in last 10 years by the Shipyard.** Out of the above, the Yard has executed Ship Repair works amounting to Rs 69 Cr during FY 2017-18. Balance work has also been completed by June, 2018.



Sail Training Ship INS Sudarshini underwent Normal Refit at GSL



Sall Training Ship INSV Mhadei undergoing Normal refit at GSL

GENERAL ENGINEERING SERVICES

21. The Company continues to execute stern Gear supply orders for Naval/Coast Guard OPVs including Sri Lankan AOPVs constructed at GSL and providing assistance for the installations onboard ASW corvettes (04 Nos) built/ under production at Garden Reach Shipbuilders Limited (GRSE) and Air Craft carrier under construction at Cochin Shipyard Limited (CSL). The Company also continued to provide training on Survival at Sea to ONGC personnel on the training vessel 'Samudra Shiksha'.

22. Progress of General Engineering Services projects is as follows:

(a) During the year, the Company launched all 04 Fuel Barges of the 4 x 1000 T Fuel Barge Project of the Indian Navy;

17 Aug 17



GSL delivered 1st 1000T Fuel Barge ahead of schedule to Indian Navy

11 Sep 17



Induction ceremony of 1st Fuel Barge

(b) First Fuel Barge, Yard 1238, was delivered on schedule on 17th August 2017 and Second Fuel Barge, Yard 1239, was delivered on 2nd December 2017, two months ahead of contractual delivery schedule.

(c) Third and Fourth 1000 Tonnes Fuel Barges for the Indian Navy are progressing well ahead of schedule, paving the way for their timely delivery in the ongoing year.

(d) The execution of Nuclear Biological Chemical Training Facility (NBCTF) is progressing ahead of schedule.

23. During the year, the Company also entered into technology collaboration with OEM for supply of advanced systems for platforms of Indian Navy in addition to the earlier collaboration for state of the art facilities. These tie ups reflect that the Company has emerged as a preferred partner for foreign MNCs, to support Government of India 'Make in India' program.

24. The Company has also emerged as L-1 in two of the prestigious tenders amounting to Rs 832 Cr for 150 GRP Boats and 10 nos. 28 M Steel Boats, both Projects of Ministry of Home Affairs.

29 Sept 17



Keel Laying of Y 1234 (2nd in series of 5 CGOPV) by IG T P Sadanandan, DDG (M&M)

ORDER BOOK POSITION

25. As on 31st March, 2018, the net value of outstanding work against orders received for Ship Construction, Ship Repair/Refit work & General Engineering Services amounted to Rs 1984 Cr (approx).

CURRENT YEAR PROSPECTS

26. The Company has set target for VoP of Rs 1050 Cr for FY 2018-19, as per the MoU signed with the Government. The Company is focusing on launch of two CGOPVs, delivery of two Fuel Barges and completion of refit of Sail Training Ship during the year. The Company is also striving hard towards achieving the targets set for **'Excellent'** MoU category. The Company expects to maintain the momentum of growth and profitability achieved during the last three years, this is however, subject to MHA tender translating into confirmed order on conclusion of contract where the Company has emerged as L1.

27. To build upon the excellent goodwill generated with Mauritius during construction of 11 FIBs and 02 FPVs, the Shipyard along with Mauritian side has finalised the design for construction of Multi-Purpose Offshore Patrol Vessel incorporating varied requirements of Hydrographic Survey, OPV, Pollution Control and inter-island transfer of men and material. The Shipyard is expected to receive final clearance from the Government for contract conclusion.

28. The Shipyard has also participated in Nigerian Navy ship global tender for acquisition of 02 x Landing Ship Tank (LST). GSL has emerged as L1 bidder on 05 Jan 2018 by a significant margin in competition with international shipyards. The Shipyard is now awaiting formal letter of award by Nigerian Navy for the project.

RESEARCH & DEVELOPMENT/ DESIGN

29. GSL has a well established R&D centre registered as in-house R&D unit by the Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology, Government of India. GSL is the first shipyard to have achieved this unique distinction of receiving the recognition, which is valid for 5 years i.e. 31st March, 2021.

30. The CAD setup in the Company has the latest AVEVA Marine software with advanced features. For 05 Indian Coast Guard OPVs, the 3D hull structural model and outfitting model is being developed in AVEVA Marine. The Company is also having in-house capability for analysis and verification of ship designs, using software for Finite Element Analysis, Computational Fluid Dynamics (CFD) and Shock Analysis.

PROCUREMENT

31. **Make in India Policy**: Your Company is the first DPSU to adopt, introduce and promulgate Make in India (Outsourcing, Long Term Procurement & Vendor Development and Indigenization) Policy in October, 2015 to enhance the local content/ indigenization through increased vendor/ manufacturing base in Defence Shipbuilding Sector. This policy was aimed to encourage domestic vendors for indigenous manufacture of equipment for which Purchase Preference Policy was promulgated and posted on the Company's website www.goashipyard.in.

32. **Purchase Preference Clause:** The Company has aligned Purchase Preference clause for indigenization in GSL tender enquiry for procurement under Buy Global Category (open as well as limited tenders) in line with MoD Order for Public Procurement (Preference to Make in India).

33. **E-procurement**: Your Company endeavours to procure materials and services through e-procurement platform on ERP system. During the year, about 90% of total requirement was sourced through e-procurement.

34. **Payment terms through Inland/Domestic Letter of credit**: A provision for payment terms through Inland/ Domestic Letter of credit was formulated w.e.f. June, 2017 to provide level playing field to Indian vendors vis-a-vis foreign firms.

35. **GeM Portal Procurement**: The Company formally registered and embarked upon the procurement of general items through GeM portal, effectively from December, 2017.



36. **Procurement from Micro and Small Enterprises (MSEs):** The Company achieved 30.33% of procurement from MSE sector, as against the mandatory target of 20% as per MSME order.

37. **Incentives to Encourage MSEs:** The Company has proactively adopted Government of India initiatives for MSEs development and implemented the following steps:

(a) **Payment through TReDS**: The Company adopted Trade Receivable Electronic Discounting System (TReDs), a payment system introduced by Govt. of India in February, 2018 to ensure timely payment to MSEs immediately after the acceptance of Bill on a discounting system.

(b) **10% Rebate on Type Approval Fees**: The Company extended the facility of 10% discount on Inspection Charges for '**Type Approval'** Certification, through Indian Register of Shipping, for MSEs owned by SC/ST entrepreneurs.

(c) **MSME SAMBANDH**: The Company registered with Public Procurement Policy Monitoring Portal '**MSME Sambandh**' in January, 2018 and has been submitting its annual procurement targets, so that MSEs get advance information about requirements of GSL and thereafter upload monthly procurement details on the portal.

38. **Vendor Development Meets**: As a part of vendor development program, the Company organized/ participated in various States, Regional and National Vendor meets, besides vendor identification at DEFEXPO 2018, to strengthen the procurements and identify potential vendors especially from MSE Sector, SC/ST sectors in line with Government of India policy.



Vendor Development Meet organised by MoD at Chennai



MSME Vendor EXPO 2018 by MSME Development Institute at Thrissur

INDIGENISATION AND MAKE IN INDIA INITIATIVES AT GSL

39. The Company is committed to the success of '**Make in India'** programme and initiated several steps to adopt '**Make in India'** concept launched by the Government of India. The Company has been making efforts to increase indigenization in key areas of shipbuilding technology. In this regard, significant contribution has been made by way of in-house designs and construction of range of Patrol Vessels and Interceptor Crafts.

40**.** Proactive steps are being taken by the Company for involvement of local industries for having maximum indigenous content in projects to meet the objective of self reliance. GSL has also successfully

developed feeder industry to cater to projects being constructed at its yard, as part of '**Make in India'** initiatives.

41. M/s. Kirloskar Oil Engines Limited (KOEL), with assistance & guidance of GSL, has successfully developed **A-Magnetic 350 KW engines for Diesel Generators sets for MCMVs,** which is major success in import substitution. M/s. Vacman Sanitation Solutions Pvt. Ltd. Navi Mumbai, another Company, under the guidance & support of GSL, has developed **Oily Water Separator** in collaboration with EPE, Greece, meeting latest IMO requirements in India. This is being developed and manufactured in India for the first time and shall be available for fitment on all Defence and Commercial ships built in India.



MoU signing with MTU Friedrichshafen for local manufacturing of MTU 8000 series engines in India

42. As part of '**Make in India'** initiatives, GSL has developed two MSME companies namely M/s. Zuari Engineering Services and M/s. Automobile Corporation of Goa Ltd. for **manufacture and type testing of Single Lever Watertight doors**. Order for the 05 OPVs was placed on these firms, resulting in saving of valuable foreign exchange and procuring import substitute assemblies.

EXPORT PROMOTION

43. The Company, with the support of MoD / Government of India, has performed exceedingly well in the field of exports. Owing to the Company's unique in-house design capabilities and execution skills, it is recognized world-wide as one of the best shipyards in its product range for '**fixed cost'** and '**timely deliveries'**. **Export orders of two FPVs to Mauritius and two Advanced OPVs to Sri Lanka have been successfully executed by the Company well ahead of delivery schedules. Two 105 M Advanced OPVs delivered to Sri Lanka Navy are the largest ships to be exported from India and are also the largest in Sri Lanka Navy fleet.**

44. With available capacity and modernized yard, the Company is well equipped and has potential to undertake further export orders. Countries in South East Asia, Middle East, Coastal Africa and Latin America are being targeted where there is a demand for the Company's products. The Company has pro-actively taken up the development of specialized vessels like Multi-purpose vessels, high value weapon intensive vessels, Hydrographic Survey vessels, Landing Ship Tank and Diving vessels for Export.

ISO 9001: 2015 CERTIFICATION

45. **GSL is the first DPSU to be certified to ISO 9001:2015, Quality Management Standard**. The certification is for "Design, Construction and Repairs of Ships and Craft and providing General Engineering Services" in accordance with the requirements of the international standard ISO 9001:2015 by Indian Register of Quality System (IRQS). The present certificate is valid upto 18th November, 2018. Your Company is now targeting an Integrated Management System under ISO covering Quality, Environment and Safety aspects.

NATIONAL RECOGNITION / AWARDS

46. GSL bagged the following awards during the year:-

(a) "**Rajbhasha Shiromani Award**" for the year 2016-17 by Bhartiya Bhasha evum Sanskriti Kendra, New Delhi for the best performance in implementation of Official Language.

(b) Dainik Bhaskar India Pride Awards under the Central PSU Category for the year 2017-18.

(c) CMD, GSL was awarded Engineering Council of India Chairman's Trophy in Apr 18 for Outstanding Engineering achievement.

HUMAN RESOURCE

Manpower

47. As on 31st March 2018, the Company had on its roll 265 Officers, 11 Management Trainees, 72 Yard Supervisors, 37 Technical Supervisors, 67 Ministerial Supervisors, 979 Workmen, 108 ITI Trainees, 02 Diploma Trainees and 102 Workmen/ Supervisors on Fixed Term basis. The total strength includes 25 Executive and 123 Non-Executive women employees.

48. The position regarding representation of SCs/STs and women employees in various categories as on 01.01.2017 and 01.01.2018 is given in **Annexure 'A'**. The particulars of Recruitment of SCs/STs and Women personnel during the calendar year 2017 are given in **Annexure 'B'**.

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

Industrial Relations

50. Industrial relations were cordial and harmonious and the yard continued to work peacefully throughout the year. Multi-unions/ associations scenario continued in the Company. Participative fora are working effectively in the Company. The Company has signed MoU on Wage Structure and allied benefits with the Unions for the period of 10 years w.e.f. 01.01.2017 to 31.12.2026. Shop Council Meetings are held at regular intervals and four monthly meetings with Employees' Unions & Associations were conducted.



GSL organised an event "Saaz aur Awaaz" to celebrate 60 years of GSL

Job Rotation and Transfer Policy for Executives

51. The Company has formulated and implemented Job Rotation and Transfer Policy with effect from 01.04.2016, keeping in mind the broader requirements of the Organisation and CVC guidelines.



Compulsory Retirement Scheme for Executives and Supervisors

52. In terms of DPE guidelines for periodical review of CPSE employees for ensuring Probity and efficacy in line with the provisions laid down under FR56(j), the Company has formulated Compulsory Retirement Scheme under the Service Rules and implemented with effect from 01.04.2016. Under the scheme, periodical review of Officers and Supervisors is conducted six months prior to he / she attains the age of 50/ 55 years. A report in this regard is forwarded to MoD on monthly basis.

Superannuation Scheme for Executives and Non-Unionized Supervisors

53. In terms of DPE guidelines and MoD instructions, the Company has implemented Superannuation Scheme for Executives and Non-Unionised Supervisors with effect from 01.01.2007. In this regard, GSL Superannuation Pension Trust has been constituted and the Life Insurance Corporation of India (LIC) has been appointed as the Insurance Partner for providing Death-cum-Retirement Pension to the aforesaid categories of employees. The LIC has settled all Pension claims of the Officers and Supervisors who have retired before 31.03.2017.

Development of Human Resources

54. The Company believes that Learning & Development is a continuous process of HRD and is an important pillar on which the organization current performance and future growth depends. The Company has been able to create a favourable work environment that encourages innovation and meritocracy.

55. The Company provides a learning environment in the organization which not only has improved the culture but has also increased motivation and feeling of belongingness in the Company. The value addition to human resources is a continuing process and in-house and external training programmes were organized towards achieving the objective. During the year, 1176 personnel were trained in various in-house and external training programs. The Company has a Structured Induction program which facilitates the introduction of the employee to the corporate world smoothly. GSL strongly believes in continuous growth of its young executives and sponsors them for higher education such as DIAT courses.



A weeklong Training Program on Talent Management & Career Progression for senior executives by IPE (Hyd)



2 days program on Business Analytics for Effective Decision Making by IPE (Hyd)

Skill Development

56. Government of India has undertaken a mission to skill 500 million youngsters by 2020 under the Skill India Mission. GSL has been extending support for the same. Under Prime Minister's Vision of a Skill India, the Company has been supporting Ministry of Defence initiatives and has undertaken following initiatives under Skill Development :

(a) **Adoption of Vasco ITI**: The Company has adopted the local Industrial Training Institute (ITI) at Vasco to make it a model Industrial Training Institute. The following activities were initiated:

(i) Organized trainings for students as well as instructors on Safety and Soft skills.

(ii) Weeklong 'On-the-job' trainings were organised for students of ITI, Vasco and were given practical training at our Yard under the experienced officers of GSL.

(iii) Organized '**Apprenticeship Bharti Mela**' on 12.01.2018, wherein 110 students selected by the Company from different Government ITIs were issued the apprenticeship offers at the hands of Chief Minister, Government of Goa and the State Director of Craftsmen Training.

(iv) Augmented the training facilities of ITI by providing tools and machinery.

(v) Organized Entrepreneurship Development awareness program for students of ITI, Vasco, which was conducted by Centre for Incubation and Business Acceleration (CIBA).

(b) **Centre of Excellence**: The Company in collaboration with Society of Industrial & Technical Education, Goa (SITEG) is building state-of-the-art Centre of Excellence for Welding.

(c) **Train the Trainer Program**: The Company has been organising a number of trainings under **'Train the Trainer'** series for ITI Instructors and Group Instructors and so far around 140 Instructors have been trained in Multi-Skill aspects.

(d) **CSR activities towards Skill Development**: Under its CSR initiative, the Company provides specialized 3 months training in 3G Welding and certification by IRS. Around 150 local youth have benefited from the program and are gainfully employed. 20% CSR fund is allocated for Skill Development projects every year.

(e) **Specialised Training in niche areas FRP for MCMV project**: Special course has been started in FRP wherein 50 personnel are undergoing training.

(f) **Apprentice Training Program at GSL**: The Company has also augmented its Apprentice Training School by creating additional training facilities. The Company has increased the strength of its apprentices to 10% of manpower to meet target of Skill Development. A new course is introduced in FRP and composites trade for upcoming mega MCMV project.

14 Feb 18



Inauguration of Centre of Excellence for Welding at Institute of Ship Building Technology, Bogda under CSR



Inauguration of Skill Development Institute under CSR



WELFARE, HEALTH AND SAFETY

Welfare

57. The Company continues to accord importance to welfare measures of employees. To promote a sense of discipline, an award is being given to employees for 15 years and 25 years of clean record of service. The Company provides accident cover and comprehensive medical assistance to employees through various Group Insurance Schemes and also contributes towards the Employees' Death Benevolent cum Welfare Fund Scheme. The Company is in process of revising the existing Medical facilities provided to Executives, Supervisors & Workmen. The Company also provides medical coverage to the retired Officers, Supervisors and Employees through **Post Retirement Medical Scheme** and made provision on the Company's website for submission of application for availing post retirement medical facilities effective from the financial year 2018-19.



Inauguration of Creche Facility at GSL

58. Incentives for promotion of Higher Education and Self-Development in related skills, etc., are provided on a continuing basis. Scholarship is awarded to the employees' children as an incentive for pursuing higher education. During the year, the Company observed Quami Ekta Week / Communal Harmony week from 19th to 25th November, 2017. The Officers, Supervisors and Employees voluntarily contributed money towards the Communal Harmony Fund and the fund so collected was sent to National Foundation for Communal Harmony, New Delhi.

59. The Company also encourages employees to actively participate in various sports / tournaments. A lady employee, Mrs. Regina Dourado participated in athletic meets held during 21st Asian Masters Athletics Championship held in China during September 2017 and was ranked 7th in 800 mtrs. run and 6th in 400 mtrs. run. She also participated in 39th National Masters Athletics Championship, 2018 held in Bengaluru from 21st to 25th Feb 2018 in 800. mtrs run and acquired 4th position.



Financial Assistance to Master Aashrum Gautam, promising Badminton player for coaching/training at Hyderabad


Financial Assistance for training of Ms Chloe Charlene Fernandes, National level Archer

Health

60. Your Company's Medical team is collectively providing support to sustain healthy workforce, complying with statutory requirements and extending medical facilities through medical center and the unit of '**Family Polyclinic**'. **Consultation services at Family Polyclinic were provided in the various specialties for approximately 2500 beneficiaries during the year.** These services are extended to the existing employees, including contract workers, family members and retired employees. "**Diagnostic Laboratory facility"** has further been added. Around 2000 beneficiaries have availed the services.

61. **"Health Education"** is one of the important measure through which we teach employees to maintain work life balance. The awareness programmes are organized on continuous basis, commemorating international events. Sessions on Stress management, Anger management, Breast Cancer, Dengue and Malaria are held on routine basis.

62. **"Community Health"** is one of the thrust areas of Corporate Social Responsibility (CSR). The Company has reached out to the local community through its various Community outreach programmes under CSR. With the help of Mobile Van, the medical team conducts weekly medical camps at various places in Mormugao Taluka. Free consultation and free medicine were provided. Dental and Eye check-up of school children were carried out for approximately 2000 beneficiaries. Eye check up and cataract detection camps were organised on large scale in Mormugao and Canacona Taluka for 600 beneficiaries and people were provided with free spectacles.

12 Jan 18



Inauguration of ambulance by Shri Manohar Parikar, Chief Minister of Goa under CSR

Safety

63. The Company continues to accord utmost importance to Safety while carrying out various jobs inside the yard. GSL has a dedicated Safety Cell with personnel qualified and trained in the field of Industrial Safety. The Company has evolved stringent regulations for Personal Safety and use of Personal Protective Equipment (PPE) and compliance to various work permits. The Safety Cell has been carrying out regular inspections for implementation of the Safety regulations and also brought safety awareness inside the yard through different activities such as conducting safety as well as fire training programs, tool box talk, safety month program / campaign etc. Work Permit system for different activities has brought a close control over the critical activities.

64. Safety Committee Meetings are held regularly to work out and implement both Preventive and Corrective Action. The Officers, supervisors and employees are also taking safety precautions / measures which have resulted in reduction of reportable and non reportable accidents, despite higher number of vessels under construction at Shipyard.

DISCLOSURE UNDER SECTIONS 22 & 28 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

65. During the financial year 2017-18, the Company has not received any complaint on sexual harassment, hence, NIL disclosure under Section 22 and 28 of the Disclosure of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has an active internal Complaints Committee headed by a Lady Officer as its Chairperson for enquiring into complaints of sexual harassment in workplace. The Committee holds its meetings every quarter. Number of awareness programs and trainings have been organised during the year.

WHISTLE BLOWER POLICY

66. Whistle Blower Policy was implemented at GSL on 13 Oct 2015, based on guidelines issued by the Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, vide OM No.18(8) 2005–GM dated 14.05.2010. The Company has promulgated "Whistle Blower Policy" to establish a mechanism for its employees to report to the management on unethical behaviour, actual or suspected fraud or violation of the Company's General Guidelines on conduct or ethics policy. The Company has also a Fraud Prevention Policy in place.



Renovation of School under Swachh Vidyalaya Campaign

SWACHH BHARAT ABHIYAN

67. In response to Swachh Bharat Campaign launched by the Government, GSL has continued its effort towards accelerating the activities at various levels. During the year, the Company undertook and pursued the following activities:

(a) 'Swchhata Hi Sewa' campaign was conducted from 15th September, 2017 to 2nd October, 2017. Awareness talks and cleaning drives were held and dustbins were distributed in villages namely, Adne and Ibrampur.

(b) Swachh Bharat Pakhwada was observed from 1st to 15th December, 2017 wherein various activities like painting competition, seminar on importance of cleanliness and a 'Mini Marathon' were organized for creating awareness and spreading the message of cleanliness.

(c) Adopted Municipal Wards 15 (part 18 & part 19), 20 and 21 (part 38 & part 39) in Vasco for cleaning activities in collaboration with Mormugoa Municipal Council.

(d) Total 4 toilets for both boys and girls have been renovated at Government Higher Secondary School, Baina alongwith the construction of hand wash facility for students.

(e) Constructed Septic tank and soak pit for existing toilets and 2 nos. new toilets for boys at Infant Jesus Academy, Velsao.

(f) Constructed underground water tank and septic tank for Government Middle School, Jetty.

(g) Adopted road for cleaning from St. Andrew Circle, Vasco to Airport Junction, Dabolim (6 kms.)

(h) 1000 nos. garbage bins were purchased for local community.

(i) Contribution of Rs.5.00 lakhs was made towards Swachh Bharat Kosh.

VISITS OF PARLIAMENTARY COMMITTEES

68. During the year, the following Parliamentary Committees visited Goa and held discussions with GSL Management:

(a) Parliamentary Committee on Papers Laid on the Table, Rajya Sabha, visited on 9th September, 2017.

(b) Parliamentary Committee on Welfare of Other Backward Classes (2016-17) on 14th October, 2017.

(c) First sub-committee of the Parliamentary Committee on Official Language on 4th November, 2017.



Visit of Parliamentary Committee on Official Language to Goa



CMD, GSL greeting Leader of Parliamentary Committee on Papers laid on the table




Visit of Parliamentary Committee on Welfare of OBCs

OFFICIAL LANGUAGE IMPLEMENTATION

69. The Company is committed for implementation of Official Languages Act, 1963 and Official Language Rules, 1976. The Company continues to give utmost importance for transacting the Official Policy of the Union and various directives/instructions issued by the Department of Official Language, Ministry of Home Affairs and Ministry of Defence from time to time. The Company is compliant with 'Online' submission of Quarterly Progress Report regarding progressive use of Official Language Hindi to authorities concerned in time. The Company has achieved the targets laid down in the Annual Programme regarding use of Hindi in official work.

70. Official Language Implementation Committee (OLIC) under the Chairmanship of Chairman & Managing Director (CMD) met regularly and reviewed the progress in implementation of various measures

for promoting Official Language. As per the decision taken in the OLIC meeting, Hindi Parangat Training commenced from 24th February 2018. Total 35 Officers/employees were nominated for the training and regular classes were conducted on every Wednesday from 1000 hrs to 1200 hrs by Hindi Pradhyapak, appointed at Panaji, Goa by Hindi Teaching Scheme, Mumbai. Total 34 Office/Yard/Store Assistants were nominated for Hindi Typing correspondence course organised by Central Hindi Training Institute, Ministry of Home Affairs, Govt. of India, New Delhi for the session January - July 2018. An inhouse magazine in Hindi "**Goayard Darshan**" was released by CMD, GSL in presence of all Directors and CMC members in the 76th OLIC meeting held on 23rd March 2018.

71. Hindi Week was celebrated in GSL from 11th to 16th September 2017. As a part of celebration, Functional Workshops on Official Language and various other competitions were organised at Goa State level. On the occasion of Vigilance Awareness Week, National Safety Week, Quami Ekta Week, Energy Conservation Week, various competitions were conducted in Hindi to promote Official Language in GSL. Vishwa Hindi Diwas was celebrated in GSL under the auspices of Town Official Language Implementation Committee (TOLIC), South Goa. All India level Hindi Competitions of Kendriya Hindi Sachiwalaya such as Hindi Essay, Hindi Noting & Drafting, Hindi Typing and Shorthand were conducted under the auspices of TOLIC.

72. Two meetings of TOLIC were held under the Chairmanship of CMD of the Company and attended by the Administrative Heads of the member Offices of the South Goa Town. With a view to discuss various issues related to the progress of Official Language in Member offices of TOLIC, South Goa, two additional meetings of Coordination Committees were held under the Chairmanship of GM (HR&A).

73. During the visit of 1st Sub Committee of Hon'ble Parliamentary Committee on Official Language for inspection on 4th November 2017, the Management had fruitful interaction with the Committee. As per the instructions of Chairman of the committee, individual memo signed by CMD has been given to the proficient Officers/ Employees to perform their 100% official work in Hindi and also issued various Memos signed by CMD for the compliance of Official Policy of the Union.

74. GSL has been awarded with the "**Rajbhasha Shiromani Award**" for the year 2016-17 by Bhartiya Bhasha evum Sanskriti Kendram, New Delhi for the best performance in implementation of Official Language.

75. As per the instructions issued by Ministry of Home Affairs, Dept. of Official Language, Unicode encoding system has to be used in computers by all Central Govt. Offices, for the purpose of equality and information. Accordingly, advanced Computer training programme was organised for Officers, Supervisors & Employees in different batches. Refresher Course of Hindi Typing on Computer and Personal Contact Programme on Computer was organized for the newly joined Office/Yard/Store Assistants appearing for Hindi typing exam in July 2018. The Company's Annual Report, MOU, Brief, Questionnaire and Presentation of various Parliamentary Committee, Recruitment advertisement and Promotional & Recruitment Question Papers were prepared in bilingual form. Website of Company has been designed in Hindi and content is updated periodically.

76. The Company continued to popularise Hindi by displaying 'Aaj ka Shabd evum Aaj ka Vichar', containing inspirational thoughts, important events and achievements, retirements, etc. in the Saransh Digital Board with Software solution module by the power of Technology. Option to answer the question papers of all recruitment and promotional examinations in Hindi was provided by setting the question papers



in Hindi and English. With a view to motivate the Employees' children to learn Hindi under the scheme, appreciable amount was distributed to the GSL Employees' children who stood 1st and 2nd in Hindi subject in classes Xth and XIIth.

IMPLEMENTATION OF RTI ACT, 2005

77. The Company confers special emphasis on implementation of the RTI Act, 2005 in letter and spirit. The applications received from the citizens of India as well as transfer applications from MoD under section 6(3) of the RTI Act, 2005 were replied within the prescribed statutory requirement. During the year 2017-18, the Company received 71 RTI applications and the information was furnished in time. 07 RTI Applicants preferred an appeal before the Appellate Authority u/s 19(1) of the RTI Act and the same were disposed off accordingly. There are no cases pending before the Central Information Commissioner for the RTI application filed for the year 2017-18. The particulars as prescribed under Section 4 of the Right to Information Act, has been posted on the website of the Company www.goashipyard.in.

VIGILANCE ACTIVITIES

78. "**My Vision - Corruption Free India" was the theme during the financial year**. Regular and surprise checks were carried out to prevent lapses, violations, if any, of the laid down procedures and CVC guidelines. All newly joined Management Trainees and Executives were made aware of vigilance role and its functions in the Company and required training on vigilance matter was provided to them.

79. As per directives of Central Vigilance Commission (CVC), '**Vigilance Awareness Week**' was observed in the Company from 30th October to 4th November, 2017. Sensitization program was conducted for recently posted CISF personnel to promote their involvement in eradicating corruption. Poster and Banners were displayed at prominent places of GSL corporate office and GSL auxiliary units. **A talk followed by an interactive session with Dr. Muktesh Chander, IPS, Director General of Police, Goa was held during the week.**

CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION & ANALYSIS REPORT

80. The Company has implemented the Guidelines on Corporate Governance for CPSEs 2010 issued by DPE vide OM No. 18(8)/2005-GM dated 14.05.2010. The Management Discussion & Analysis Report, and Corporate Governance Report along with Compliance Certificate from the Practicing Company Secretary, Secretarial Auditor of the Company, as required under the said Guidelines, are placed at **Annexures 'C' and 'D'** hereto, respectively. As per the Self-evaluation Annual Grading Report on Corporate Governance for the year 2017-18, the Company has achieved **"Excellent" grading**.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

81. The information on Conservation of Energy and Technology Absorption is provided in the Management Discussion & Analysis Report placed at **Annexure 'C'** hereto.

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY

82. The Company has been contributing immensely towards social development and meaningful quality of life of the community through value creation, promotion of sustained growth of the society and community and environmental sustainability in fulfilment of its role as a Socially Responsible Corporate and in compliance with the provisions of Section 135 of the Companies Act, 2013, Schedule VII thereto, Companies



(Corporate Social Responsibility) Rules 2014 and the Guidelines on Corporate Social Responsibility issued by DPE. The Company has framed CSR & Sustainability Policy, which can be accessed on Company's website www.goashipyard.in. The Annual Report on CSR activities carried out during the financial year is placed at **Annexure 'E'** hereto.



Eye Checkup & Cataract Detection Camp under Medical CSR


Eye camp under GSL Medical CSR in Vasco-da-Gama

EXTRACT OF ANNUAL RETURN

83. In accordance with the provisions of Section 92(3) and Section 134(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return for the Financial Year ended on 31.03.2018 in Form No. MGT-9 is placed at **Annexure 'F'** and published on the Company's website which can be accessed through www.goashipyard.in under Annual Reports.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

84. All related party transactions that were entered during the financial year were in ordinary course of business of the Company and were on arm's length basis. There were no materially significant related party transactions entered by the Company, which may have a potential conflict with the interest of the Company. Your Directors draw attention of the members to Note 2.43 to the Financial Statements which sets out related party disclosures as per Indian Accounting Standard (Ind AS) 24.

PARTICULARS OF EMPLOYEES

85. There were no employees of the Company who received remuneration in excess of limits prescribed under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS

86. Smt. Kusum Singh, the then Joint Secretary (P&C), Department of Defence Production, Ministry of Defence, who was appointed as Government (Nominee) Director on the Board of GSL on 02.06.2016, ceased to be the Director w.e.f. 01.09.2017 on her transfer to Ministry of Railways. Shri Shrihari Pai Raikar, Director (Operations) will cease to be a Director consequent upon superannuation on 31.05.2018.

87. **The Board placed on record its deep appreciation of the valuable services rendered and guidance provided by Smt. Kusum Singh and Shri Shrihari Pai Raikar during their tenure as Directors of the Company.**

88. Shri Shrikrishna Jagannath Kamat was appointed as Director (Operations) w.e.f. 01.06.2018 and the Board welcomed his appointment.

89. The Company has received Declaration of Independence from Part-time Non-Official (Independent) Director stating that he has complied with all the criteria of independence as provided under sub section (6) of Section 149 of the Companies Act, 2013.

90. The Company received a letter dated 01.05.2018 from Shri Vijayendra, Government (Nominee) Director intimating that he has attracted the disqualification under Section 164(2) of the Companies Act, 2013 and has been advised by MCA not to attend Board Meeting, till removal of disqualification. Ministry of Defence vide its letter No.8/(80)/2015-D (Coord/DDP) dated 30.05.2018 has communicated that Shri Vijayendra, JS (NS) is Government (Nominee) Director on the Board of GSL.

91. In accordance with Article 117(2) of the Articles of Association of the Company, the under mentioned Directors shall retire from office on the day of the Annual General Meeting and are eligible for re-appointment:-

(a) Shri Vijayendra, and

(b) Shri K. Mohandas

MEETINGS OF THE BOARD

92. During the year, five 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

93. Your Company being a Government Company, the requirement for framing policy on Directors' appointment and remuneration and evaluation of Board's performance pursuant to sub-section (2), (3) and (4) of Section 178 of the Companies Act, 2013 do not apply in view of the Gazette notification No. 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs. The details of remuneration paid to the Directors during FY 2017-18 are provided in 'Corporate Governance Report' annexed to this report.

DIRECTORS' RESPONSIBILITY STATEMENT

94. To the best of their knowledge and belief and according to the information and explanations obtained by them, the Directors make the following Statement pursuant to the provisions of Section 134 of the Companies Act, 2013:

(a) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(b) That such accounting policies have been selected 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 31st March, 2018 and of the profit of the Company for the year ended 31st March, 2018;

(c) That proper and sufficient care has been taken 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) That the annual accounts have been prepared on a going concern basis;

(e) That proper systems have been devised to ensure compliances with the provisions of all applicable laws and that such systems are adequate and operating effectively;

(f) That the Company has put in place adequate internal financial controls with reference to financial statements.

AUDIT COMMITTEE

95. For details, please refer Report on Corporate Governance placed at '**Annexure D'** to this Report.

RISK MANAGEMENT

96. The Company has well articulated 'Risk Management Policy' with an objective to help the management to make informed decision which will:

(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.

97. 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. For further details please refer to the Management Discussion & Analysis Report placed at **Annexure 'C'** hereto.

INTERNAL FINANCIAL CONTROLS

98. During the year internal financial controls were tested and no reportable material weaknesses in the design or operation were observed. 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 officers at various levels for smooth and efficient day-to-day functioning. The Company has also in place, various policies and procedures for maintaining adequate and effective internal controls. An independent Internal Audit mechanism is in place for conducting extensive audit of various operational and financial matters. The Comptroller & Auditor General of India (C&AG) conducts proprietary audit. The independent Audit Committee constituted by Board of Directors examines audit observations, provides guidance and issues directives based on the same. The Audit Committee also looks into the Internal Control Systems, Company Procedures and Internal Audit performance while reporting to the Board of Directors.

STATUTORY AUDITORS

99. Pursuant to Section 139(5) of the Companies Act, 2013, C&AG appointed M/s. A B M & Associates LLP, (BO1440) Chartered Accountants, Porvorim, Panaji, Goa as Statutory Auditors to audit the Financial Statements of the Company for FY 2017-18.



100. The Directors recommend to the members of the Company to consider fixation of the remuneration of Rs.3,00,000/- plus GST and out of pocket expenses at actual plus applicable taxes, if any to Auditors of the Company appointed by the C&AG for FY 2018-19.

101. Auditors' Report on the Financial Statements of the Company for FY 2017-18 is appended to this report. The comments of the C&AG u/s 143(6) of the Companies Act, 2013, on the Accounts of the Company for FY 2017-18 will be placed on receipt.

COST AUDITORS

102. Pursuant to Section 148(3) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, CMA Rammohan Menon was appointed as Cost Auditor for conducting the Cost Audit of the Company for the Financial Year 2017-18. The remuneration of Cost Auditor for the financial year 2018-19 will be ratified by the shareholders at the ensuing AGM.

SECRETARIAL AUDIT

103. Pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Shri Francisco Dias, Practicing Company Secretary (PCS Registration No. 3765) was appointed as Secretarial Auditor to undertake the Secretarial Audit of the Company for the FY 2017-18. The Secretarial Audit Report submitted by Secretarial Auditor is annexed to this Report as **Annexure 'G'** and forms part of this Report.

104. The Secretarial Auditor in his Report observed that with effect from 1st September, 2017, the Company did not have a Women Director as required by the second proviso to Section 149(1) and Rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014 and one Independent Director ceased to be a Director with effect from 22nd July, 2017. The vacancies of Independent Directors have not been filled by the Administrative Ministry of the Company.

105. It is submitted that as per Articles of Association of the Company, the President of India is vested with the power to appoint the Directors on the Board of the Company and accordingly, the Company has taken up the matter with its Administrative Ministry to appoint 02 Independent Directors including Woman Director, which is under consideration of the Government.

COMPLIANCE OF SECRETARIAL STANDARDS

106. The applicable Secretarial Standards have been complied by the Company for the FY 2017-18.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

107. During the year under review, the Company has not

(a) given any loan/guarantee or provided any security to parties and

(b) acquired by way of subscription, purchase or otherwise, the securities of any body corporate, as prescribed under Section 186 of the Companies Act, 2013.

GENERAL

108. 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 Act.

(b) 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.

(c) 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.

(d) There has been no change in the nature of business of the Company during the year under review.

ACKNOWLEDGEMENT

109. The Directors wish to express their grateful thanks and appreciation for the assistance, co-operation and guidance received by the Company from various Ministries of the Government of India, especially Ministry of Defence, Department of Defence Production for its pro-active policy framework and implementation mechanism, and other stakeholders like the Integrated Headquarters (Navy)/MoD, Indian Coast Guard organization, Comptroller & Auditor General of India, Controller of Defence Accounts (Navy), Government of Goa, Mormugao Port Trust and Flag Officer Goa Area & Naval Aviation and look forward to their continued support in the future. The Directors also acknowledge with gratitude the continued patronage and wholehearted support given by the Company's clients. Directors are also thankful to the Classification Authorities, Auditors, Rating Agencies, Company's Bankers, Insurers and the CISF Contingent for their wholehearted help and co-operation.

110. Last but not the least, the Directors also wish to record their appreciation for the dedication and sincere efforts put in by all employees of the Company to achieve its goal.

For and on behalf of Board of Directors

[RAdm. Shekhar Mital, NM, IN (Retd)]
Chairman & Managing Director

Place: Vasco-da-Gama, Goa.
Date: 28th June, 2018.



STATEMENT SHOWING THE POSITION REGARDING REPRESENTATION OF SCHEDULED CASTES/ SCHEDULED TRIBES AND WOMEN EMPLOYEES IN THE VARIOUS CATEGORIES OF POSTS AS ON 01.01.2018 AND 01.01.2017

CLASSIFICATION OF POSTS	AS ON 1ST JANUARY 2018					AS ON 1ST JANUARY 2017				
	TOTAL STRENGTH	NO. OF EMPLOYEES BELONGING TO SCHEDULED CASTES	NO. OF EMPLOYEES BELONGING TO SCHEDULED TRIBES	WOMEN EMPLOYEES*		TOTAL STRENGTH	NO. OF EMPLOYEES BELONGING TO SCHEDULED CASTES	NO. OF EMPLOYEES BELONGING TO SCHEDULED TRIBES	WOMEN EMPLOYEES*	
				NO.	%				NO.	%
Permanent										
GROUP 'A'	259 $	30	19	24	9.26%	251 $	28	17	21	8.36%
GROUP 'B'	9	2	2	1	11.11%	10	2	2	1	10.00%
GROUP 'C'	1153 #	60	72	115	9.97%	1088 #	59	61	109	10.01%
GROUP 'D'	242 #	25	16	8	3.30%	230 #	27	12	9	3.91%

* 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 MTs and FTE Officers.
# includes Fixed Term Employees, ITI and Diploma Trainees.

STATEMENT SHOWING THE PARTICULARS OF RECRUITMENT MADE DURING THE CALENDAR YEAR 2017, THE NUMBER FILLED BY MEMBERS OF SCs & STs 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		WOMEN PERSONNEL VACANCIES FILLED *	REASONS FOR SHORTFALL AND STEPS TAKEN TO IMPROVE THE POSITION
		VACANCIES RESERVED	VACANCIES FILLED	VACANCIES RESERVED	VACANCIES FILLED		
Permanent							
GROUP 'A' (including MTs)	19	3	2 #	1	2 #	4	No candidates have been found suitable to fill up the reserved vacancies. However all out efforts are being made to fill up these vacancies by respective categories.
GROUP 'B'	NIL	NIL	NIL	NIL	NIL	NIL	
GROUP 'C' (including Fixed Term employees, ITI and Diploma Trainees)	171	3	4 #	21	12 #	18	
GROUP 'D' (including Fixed Term employees)	41	1	1 #	5	6 #	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.

Celebrating 1957 - 2017 Glorious Years

ANNEXURE 'C' TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR FY 2017-18

Industry structure and developments, strengths, weaknesses, opportunities and threats, major initiatives undertaken and planned to ensure sustained performance and growth:

1. The Indian Shipbuilding and Ship Repair industry primarily comprises firms that develop, build and repair - ships, underwater equipment and naval architectures for the shipping industry, fishing industry, naval defence and extraction of ocean resources. The Shipbuilding industry is critical to strategic and economic interests of the country and is characterized by high growth potential due to its multiplier effect on the economy. The Shipbuilding industry has spin offs to other industries, including steel, engineering equipment, port infrastructure, trade and shipping services. Further, shipbuilding is a labour intensive industry with tremendous indirect potential in employment generation.

2. India has about 8,000 km long coastline, around 30 shipyards, 12 major ports and 200 ports under states' jurisdiction. The country's opportunities in the sector have not been utilized fully, which presents a huge scope for development of shipbuilding sector. The Government of India has set ambitious plans for the Shipbuilding and Ship Repair Industry. Increase in FDI limit to 49%, abolition of FIPB, allowing foreign OEMs to change their offset partners, opening up public sector facilities for private sector, introduction of concept of SPs, etc. are some of the conducive measures. As part of another enabling move, the MoD has approved the creation of a Defence Innovation Fund (DIF) which is an attempt to foster innovation and technology development in the sector. The Government is highly committed to its 'Make in India' vision and the Defence Procurement Procedure (DPP) 2016 reflects a clear linkage with this ideology. In a major boost to domestic small-scale and medium-scale enterprises, the Government has very recently simplified its Make-II policy, which is part of DPP. The new initiative will enable the smaller players to participate in defence production and innovation. The Make-II procedure will also reduce the total time from the approval stage to placing order by 50%.

3. Modernization and indigenisation are the buzz words in India's defence manufacturing market. The segment is receiving a lot of political push under the 'Make in India' campaign. The concept of import substitution is being gradually accepted by stakeholders. In the past 12-15 months, several big-ticket contracts have been awarded to the Defence Public Sector Undertakings (DPSUs), private players and foreign vendors across different segments. The Government's strong focus on the shipbuilding sector and its initiatives in coastal shipping and inland waterways, among others, could give a new impetus to Indian shipbuilding.

Outlook

4. Indian Shipbuilding industry witnessed healthy growth in the recent past, driven primarily by the boom in global shipbuilding and Govt. subsidies. The Defence shipbuilding segment looked promising on account of the ship acquisition plans of Indian Navy and Coast Guard.

5. Your Company is predominantly in the defence shipbuilding segment and has gained sufficient expertise in medium size ships required by Indian Navy and Indian Coast Guard in particular and generally enjoys excellent reputation for ships that it has built. GSL is operating in a highly competitive environment across all its product segments. The private shipbuilding players are tough competitors for orders from Defence



sectors where the Company has predominant business. Despite competition from International and Indian Shipyards in Public and Private sector, the Company continues to make efforts to secure shipbuilding/ ship repair orders at domestic and international level and is maintaining the growth momentum. GSL's performance in last four years on both the shipbuilding and ship repair front has been commendable.

SWOT Analysis

6. In the changing environment, your Company has identified following strengths, weaknesses, opportunities and threats:

Strengths

(a) Ability to design sophisticated vessels in-house. The designs of Advanced Offshore Patrol Vessels, Fast Patrol Vessels, etc. were made in-house.

(b) Highly Skilled work force and strong management with ability to absorb and adopt improvements/new technologies.

(c) Fully computerized network encompassing the entire gamut of operations. This enables us to monitor production activities closely and process other activities faster.

(d) Successful implementation of e-procurement system.

(e) Expertise in construction of shipbuilding, ship repair and manufacture of stern gear system.

(f) Sophisticated CAD/CAM facility supported by AVEVA Marine software, knit seamlessly with BaaN ERP and Primavera software.

(g) Modern machineries like CNC plasma cutting machines, 3-D pipe bending machines, Pipe flanging machine, Ceramic back-up welding machines, Inverter based MIG welding machines etc., are in service for expeditious construction of vessels.

(h) Shiplift and Transfer System capable of docking vessels upto 6000 tonnes with two land berths of 130 Mts. (L) x 30 Mts. (W) and 250 Mts. long jetty for berthing of vessels and repair work. Two numbers covered Ship Assembly Workshop 126.2 Mts (L) x 35.00 Mts (W) x 36.00 Mts. equipped with 2 nos. crane of 80 T each with tandem operation cable of lifting max. 160 T.

(i) Quality conscious, ISO 9001:2015 Company.

(j) Cohesive management with better communication network.

(k) Good industrial relations.

(l) Financially sound Company.

Weaknesses

(a) Uneven play with Private sector due to large restrictions being subjected to Article 12 of Constitution and limited autonomy, being a Govt. Company.

(b) Geographical limitation for expansion at the present site.

(c) Limited water front & water depth.

(d) Inadequate industrial and local vendor base.



Opportunities

(a) Growing maritime defence needs of the country.

(b) High potential for export, as a result of Government's liberalised policy, easing of foreign exchange controls.

(c) Demand for OPVs/FPVs for patrolling, pollution control etc., due to increasing security needs internationally.

(d) Prospective requirement of commercial vessels for coastal shipping in India like Ro-Ro and container vessels.

(e) Huge Ship-repair opportunities due to high cost of replacement tonnage.

(f) Increasing need of GRP/FRP boat requirements for policing by Government agencies.

(g) Indian Navy's requirement for GRP hull MCMVs.

(h) Potential for entering into Annual Maintenance Contracts for maintenance of vessels.

Threats, Risks and Concerns

(a) Increased competition from private sector in the shipbuilding market.

(b) Increased production capacity of existing private shipbuilders.

(c) Competition from small scale shipbuilders and repairers.

(d) Availability of limited experienced outsourcing parties to meet huge demand.

(e) Uncertain and unexpected amendments in statutes.

7. The SWOT analysis brings out the huge opportunities available for building defence and commercial vessels. Therefore, strategies are being focused on exploiting these opportunities based on our strength, minimizing the impact of weaknesses. GSL continues to consolidate its strengths and focusing on to reduce the impact of its weaknesses. The strengths of infrastructure, design and manufacturing facilities are leveraged to have strategic alliances to address the emerging opportunities and reducing the impact of perceived threats.

Major Initiatives Undertaken and Planned to Ensure Sustained Performance and Growth

8. The Company has introduced various innovative measures, new processes/ technology which are having positive impact on productivity and throughput of Company and ensure sustained growth in the coming years. The various initiatives taken are in the areas of:

Production

9. **Machinery Readiness for Sea Trials.** The Shipyard achieved machinery readiness for sea trials of Mauritius FPV Yard-1232 in 09 weeks after launch, thereby enabling advanced delivery of the vessel within 03 months of launch as against 07 months taken (after launching) for earlier ship (Yard-1231).

10. **Orbital Cutting Machine.** An Orbital cutting machine was procured for cutting and bevelling of pipes. This has eliminated the manual process and helped in achieving better edge preparation and weld joint of pipes.



45% of revenue (i.e. Rs 607 Cr) accrued from exports in FY 17-18, a jump of over 7 times in last 04 years

11. **Contamination Sensor**. Pipe shop upgraded the CS-1000 contamination sensor to FSU-1450 to check cleanliness of hydraulic system pipes (both on-line / off-line) upto NAS-3.

12. **Contractor Sea Trial (CST)**. CST of Yard 1223 was completed in 03 days compared to 05 days taken for all the earlier ships in the series.

13. **Dockings**. Since commissioning of Shiplift system in 2011, the Company has completed docking of 125 ships on the Shiplift. This has enhanced shipbuilding and repair capabilities of the Company and reduced '**build period**' of ships considerably.

14. **Production Methodology.** During 2017-18, the Company has adopted an improved methodology for Hull construction, by assembling and erecting full breadth upper tier Blocks, as against the smaller width panel by panel erection sequence followed on hulls of earlier Ships. This has resulted in reduction in time for Block erection by almost 50%, from earlier 06 weeks for 03 sub-panels of a Block (02 weeks each per panel) **to 03 weeks** for erection of the combined Block.

15. Due to improved production methodology, the estimated reduction in time achieved, for various activities related to ship construction and commissioning of ships machinery, is almost 50% as compared to earlier projects, thereby leading to early delivery of ships. The early delivery of the last 02 ships of the 06 CG OPV Project (Yard-1222 & 1223), both SLN OPVs (Yard-1217 & 1229) and Mauritius FPV (Yard-1232) in the FY 2017-18 have led to immense cost savings in terms of overhead expenditures like electricity, berthing, yard man days, service engineer charges and fuel consumption, etc.

Technology Absorption

Research & Development and Technology Absorption, Adaptation & Innovation

16. With persistent efforts made in Research & Development on vessel platforms, Company has been recognized for **In-house R&D unit** by the Government of India, Ministry of Science and Technology, Department of Scientific & Industrial Research. R&D activities at GSL were commenced in small way with the design of 35 knots, 50 M Fast Patrol Vessels (FPVs) in the year 1998-99 and presently it has a full-fledged set up and is developing regularly newer platforms for Indian Navy & Indian Coast Guard. Platforms developed so far include 105 M Advanced Offshore Patrol Vessels (AOPVs), 90 M Offshore Patrol Vessels (OPVs) and 105 M Naval Offshore Patrol Vessels (NOPVs). All the designs have been proven in Sea trials and further validated during operations in service with Indian Navy & Indian Coast Guard. The latest of the Advanced Offshore Patrol Vessel designed for the Sri Lanka Navy has been delivered during this period and sea trials of these SLN OPVs revalidated over 10% improvement in fuel efficiency.

17. The Company has successfully developed the design for 90 M Landing Ship Tank, 60 M Fast Attack Craft and 35 M High-speed Patrol Boat. The Company's indigenously developed designs of Patrol Vessels have saved the country considerable amount of foreign exchange by avoiding import of ship designs and achievement of self reliance to a large extent.

18. During the year, the expenditure incurred by the Company on Research and Development is Rs 1009 lakh (both Revenue & Capital Expenditure).



Infrastructure Modernisation

19. The Company has achieved steady progress in augmentation / modernisation of infrastructure for Mine Counter Measure Vessels (MCMV) Project. The modernization package includes a shiplift system of 6000 ton capacity, fully serviced repair berths, modern outfit shops, Glass Reinforced Plastic (GRP) facility, dedicated jetties and quays with sophisticated handling facilities, planned in Phases 1 to 4. Phases 1 to 3A which include 02 open berths, transfer area, jetty, shiplift and transfer system and augmentation of electrical services, outfit workshops, ship assembly workshops, open construction berths, outfit jetty and steel stockyard have been completed, commissioned and facilities are fully functional.

20. The final phases, viz. Phase 3B & 4 of the Infrastructure Augmentation plan for MCMV Project are in progress. The facilities under Phases 3B and 4 mainly include advance infrastructure for construction of MCMVs, to equip the yard with most modern and sophisticated infrastructure for Advanced Warship construction and GRP Hull construction. The Phase 4 is expected to be completed by end 2018 and Phase 3B by end 2020.

21. The 60T level luffing crane for construction berth 3 & 4 and new jetty have been completed as part of Phase 4.

22. To execute the MCMV project, GSL has undertaken the construction of integrated MCMV Command, Control and Design Office in its Yard premises. This office building will house all major functional departments for execution of the project. MoA has been signed with NBCC (India) Ltd. for the project management and execution of the entire project on Turnkey basis for setting up of MCMV office as part of Phase 4 of the modernization project. **Foundation Stone of this office building Project was laid at the hands of Hon'ble Chief Minister of Goa on 12th January, 2018 and the work is in progress for this project**.



Laying of Foundation Stone at the hands of Hon'ble Chief Minister of Goa Shri Manohar Parikar for MCMV Design, Command & Control Office

23. On completion of ongoing Modernisation Plan, the Company will have the capability to build high technology GRP hull MCMVs indigenously with help of foreign technology provider. This will also enhance the rate of production and shipbuilding capacity of the yard by threefold.

Information Technology (IT) System Initiatives

24. **Workflow Application**. GSL operations have been enabled with implementation of Intranet / Workflow / Manpower Resources Applications for Financial / Admin. approvals. The software provides paperless office environment. Grievances Redressal system has been designed and implemented. MSME Payments module is in state of Go Live.

25. **IT Infrastructure Upgradation**. The Company has specialized software for Project Planning, Ship designing & modeling and for Attendance Recording System, which have all been integrated with ERP for ease of data exchange across applications. It also has a groupware system for external / internal communication, Antivirus for healthy computing, patch management, domain controller for better authentication and secured sharing. To secure GSL's premises as well as GSL's data, concrete steps have been taken at both the levels. Physical security has been hardened by deploying CCTV monitoring; Biometrics based Door Access Control Systems at critical places, fumigation of DC's etc. at regular intervals. Data Security has been further enhanced by using Desktop encryption technologies, controlled usage of USB devices etc.

26. **e-Recruitment Portal**. All the recruitment processes are now online thus saving time and efforts and reducing the recruitment process time substantially. Information on the various vacancies which are being filled is available on the portal for public awareness.

27. **Information Systems Security Manual**. Information Systems Security Manual has been updated with new measures, which describe the security measures required to be followed to protect Company's information assets. Regular advisories on ransomware, malware are shared with all GSL users. IT Security Organization with defined roles & responsibilities has been formed and attached with Security Organization at Department of Defence Production. Only G2G agencies like BESIL, RailTel, BSNL etc. have been contracted for any Data Recovery required or any Internet Leased Line.

28. **Disaster Recovery System**. The data generated is replicated on a day to day basis to a disaster recovery site at Sancoale Unit-II (distant site) on a scheduled basis for data security. This is done through fiber based data leased line connectivity.

29. **Separation of Internet from existing ERP LAN through Citrix Virtualization**. The access of internet on the desktops which are on business LAN has been separated through Citrix Virtualization Software thereby reducing the threat of infection, injection, leakage and remote monitoring of data over desktops. Further separation between internet & intranet applications is being done by getting a separate LAN erected for internet. Separate PC for accessing would be given for internet users.

30. **Auditing of IT Systems**. Information Technology Systems & Infrastructure are audited by different authorities for better ascertainment of risk exposure and carrying out any rectification on day-to-day basis. The auditing includes Vulnerability Assessment and Penetration Testing (VAPT) by Cert-In empanelled auditors, Cyber Security Audit by CSG-DDP, System Audit through Internal empanelled Auditors, Physical Security Audit by Intelligence Bureau (IB). The new CSG-DDP order for current year's VAPT audit by CDAC is being conducted.

31. **Selection of New ERP System**. The Company has initiated process of evaluation for a New ERP Solution which will encompass all the functions of the Company on a single platform with flexibility for integration. The Company is in the final stage of discussions as far as ERP selection is concerned and the RFP for appointment



of a Management Consultant is in pipeline, who would oversee the complete implementation and advise GSL on best practices.

32. **Enhancements**. The following system enhancements were also done in GSL:-

(a) **BaaN ERP made GST Compliant**. Infor, the OEM for the BaaN ERP were contracted for development of GST Patches. The Patches were applied on the ERP Application thereby upgrading Vendor master, Purchase, Sales & complete Taxation modules. Thorough and in-depth checks were done before **Go Live.**

(b) **Demurrage Control & Management System (DCMS)**: Demurrage Control & Management system was implemented for import / export section of Commercial Department. DCMS system was enhanced with new search engine facilities where user can track the consignment status.

(c) **Tracking of EMD / SD / PBG and NSIC Document Details**. Workflow for tracking the Bank Guarantee (PBG/EMD) submitted at the tendering stage till invoice processing stage is implemented. Necessary controls have been put for a return of PBG of non short-listed Vendors only after a fresh SD is submitted.

(d) **Performance Appraisal System for GSL Top Management**. Performance Appraisal System for General Managers & above has been developed and implemented successfully.

(e) **Sub-Contracting Challan entry & Generation System in BaaN**. A new system has been programmed and deployed on ERP Application to capture the details of the Sub-Contracting items being sent outside the Company's premises and material coming inside GSL (Outward & Inward Challans), linking this system to e-Way Bill System in Govt. Portal too.

33. **System Training**. The Company has been giving ERP System and e-procurement periodical training to the regular users and new comers. The Company's executives were sent for GeM Portal training and GeM is being rolled out in GSL in a phased manner.

34. **Participation in GoI Digital initiatives**. Senior executives from GSL IT Department participated in SMART INDIA HACKATHON 2018, a Ministry of HRD initiative to have Pan India participation of budding Software Professionals. 10 Teams out of 66 teams working in Dept. of Defence Production were mentored, judged and finally selected. GSL's Problem statement was selected in Top 5 Teams.

35. **Company's Website**. As per the directives of MoD, the Company's website has been migrated from www.goashipyard.co.in to www.goashipyard.in.

Marketing & Business Development

36. After successful and ahead of schedule delivery of 2 Fast Attack crafts, 11 Interceptor boats for Mauritius, 1 Damage Control Simulator for Myanmar and 2 Patrol Vessels for Sri Lanka Navy, **the Company has emerged as the largest exporter of defence ships from Indian sub-continent.** The Company has established itself as leading exporter of Naval Vessels, GRP Interceptor Boats and other Engineering projects and at present about 45% of the present turnover is from exports. The Company is marketing aggressively its various reliable and proven products specially the in-house designed range of Patrol Vessels along with Survey Vessels, Training Ships, Landing Craft Utility and the varied range of GRP boats and Training Simulators to various friendly countries.



37. The Company has kept the complete range of Naval Surface vessels as thrust area for business in near future. Several customers have shown keen interest in the Company's in-house designed and well proven Patrol Vessels, some of which have sailed all over the world during their overseas deployment by the Indian Navy and Coast Guard.

38. Buoyed by the successful delivery of dependable and robust platforms in the past 60 years, the Shipyard is poised to unleash its shipbuilding potential by taking on challenging import substitute projects for the Indian Navy. The Company is contemplating to expand its capabilities into high value weapon intensive warships (Corvettes, Frigates etc) and therefore, bidding aggressively for international and domestic acquisition programmes. GSL is firming up plans to foray into unchartered technologically advanced shipbuilding segment to strengthen its order book position, optimize the capacity utilization of its yard and to boost GSL brand image **as member of high end weapon intensive ship, which is considered critical for long term growth of the Company**.

Quality Assurance and Quality Management

39. The Company continues its strong commitment to product quality and customer satisfaction. The yard has a well experienced QA inspection team, which is continuously trained in adopting updated inspection methodologies and best practices. The team undertakes inspection checks at every stage of the construction as detailed in Quality plans, Ship construction, repair and general engineering activities are monitored both by in-house QA dept. and external inspection agencies. The yard has focused on defect avoidance through awareness training, self-inspection and root cause analysis to identify appropriate corrective and preventive measures for achieving continual improvement, which led to drastic cost reduction, reduced build periods and reduction of D448 defects at time of handing over of the ships. 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.

40. The ISO implementation team has coordinated in implementation of risk management policy of GSL. All sections of the Company are now identifying risks that affect their areas of operation on a quarterly basis in ISO departmental review meetings. Risks are discussed at different levels of management. High risk issues thus identified are taken up for action by the Board of Directors.

Customer Satisfaction Index

41. Composite Customer satisfaction report derived from reports of all GSL customers was adjudged by IRQS.

Specific Measures with regard to Risk Management, Cost Reduction, Indigenisation, etc.

Risk Management

42. The **"Risk Management Policy" has been implemented and operational.** The Risk Management Policy is formulated with intend to enable the Company to adopt a defined process for managing its risks on an on-going basis and to implement a structured and comprehensive risk management system. The Key Risks identified as Board Reportable Risks alongwith 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, apprise Board of Directors about various Risk Management initiatives and ensure adequate reporting of the same to various stake holders on a regular basis.

Cost Reduction

43. The Company has taken various measures for cost reduction in production and other related areas, viz., in the areas of inventory control, labour productivity, outsourcing, energy conservation, support services. The possibility of going for open tenders was explored in case of procurement of generic items like Cable Trays, Flat bars, Pipe fittings, Signal & Control cables etc., where limited tenders were opted earlier. In addition, procurement through repeat orders was resorted wherever higher discounts on LPP were confirmed. This has resulted reduction in order/tender processing cost and time.

Reduction in Production Costs

44. As a part of various cost saving measures, the Company is in the process of ensuring that all sub-contractors use only energy efficient inverter based welding rectifiers. More outsourcing is done in non-core activities like dry surveys, fitment of manholes, ladders, doors, windows, minor seatings etc. Semi-automatic welding machines are in use for better productivity. Stud-welding machines have been used for alignment of hull-block joints, which has resulted in reduction in cost and time. Laser based alignment tools are used for shafting jobs which has improved productivity and accuracy. With the help of higher capacity cranes on the berth, the erection of super structure is done in bigger blocks (compared to panels earlier), which saves cost and time. The Company is in the process of installing Solar Panels on the roof tops of the Company buildings for generating power in line with the policy of the government.

Reduction in Cost of Indirect Manpower/Overheads

45. The Company has resorted to Annual Rate Contracts (ARC) covering a majority of general stock items, welfare items, yard consumables, computer, stationeries, industrial gases, safety items and various services obviating the need of repeated tendering thereby reducing the procurement cost, lead time and inventory. Annual Maintenance Contracts have been in operation covering maintenance of computers and peripherals, servers & work stations, AVEVA Marine Software and Primavera software, rewinding of motors, calibration of various measuring instruments, yard fire fighting system, cranes, office equipment, lifting appliances, etc. The Company has disposed various scrap material worth Rs 2.08 crore during the financial year resulting in the availability of storage space for materials of multiples projects being built concurrently in GSL which in turn avoided incurring expenditure in hiring additional godown services outside GSL. This has also created space for ship-building, which is so crucial when modernization is in progress

Segment-wise performance

46. The Company is engaged in three major activities viz. shipbuilding, ship repairs and general engineering services. The detail of segment wise performance is as follows:



Successful culmination of 6 AOPV Coast Guard Project in Nov 17, with delivery of all 6 ships made within a span of 02 years

(Rs in crore)

	Revenue from Operation		
	2017-18	2016-17	Increase %
Ship Construction	**1118.82**	836.83	**34**
Ship Repairs	**68.72**	11.47	**499**
General Engineering	**155.13**	181.90	**(15)**
Total Value of Production	**1342.67**	1030.20	**30**
Other Operating Revenue	**30.76**	25.25	**22**
Total Revenue from Operations	**1373.43**	1055.45	**30**

Internal Control System and its adequacy

47. The Company has an adequate system of Internal Controls 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 procedure issued by Management covering all vital and important areas of activities, viz. Budget, Procurement, Materials control, Works, Finance & Accounts, Human Resources, etc. The Company has an Internal Audit Department which monitors compliances of Company's procedures and policies with well defined annual audit programme and significant audit observations are reported to the Audit Committee of Board of Directors. The Internal Audit function is headed by Addl. General Manager reporting to the Director (Finance).

48. 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. The Internal Control systems are reviewed by the Audit Committee. 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 Comptroller and Auditor General of India.

Financial/Operational Performance Strategy & Objectives

49. The main objectives of the financing strategy of the Company are as follows:

(a) To maximize profit with the available resources through increased productivity.

(b) To make available funds by effective cash flow management and improved collection of funds.

(c) To maintain the highest credit rating so as to raise funds at most economical rates.

(d) To meet the expectations of the various stakeholders.

(e) To improve the post tax yield to the shareholders by Tax Planning.

(f) To prudently invest the surplus funds of the Company.

50. The Company continues to accord the highest priority to each of the objectives listed. During the year, the funding of incremental working capital requirement was largely met from the Company's own resources besides improving the earnings on deployment of short term surplus funds.



Sustainable Development: Environmental aspects and Abatement of Pollution

51. The Company continues to show its commitment for improvement in all aspects of the environment and pays special emphasis for plantation and preservation of trees. New ornamental, fruit bearing trees and various types of saplings were planted in various areas and nearby school premises during the year.



Fully grown trees replanted to other site from Modernisation area

Conservation of Energy

52. **Steps taken by the Company to conserve energy**. The Company continues its drive to conserve energy. During the year 2017-18, the Company executed various energy saving projects and took following steps to conserve energy:-

(a) Replacement of conventional lighting with LED light.

(b) Use of LED lighting for lighting onboard ships under construction.

(c) Observation of Energy conservation month in December 2017 to commemorate Energy Conservation day on 14th December.

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

(e) Due to the above drive to conserve energy, our **power consumption has remained almost constant** despite of augmentation of new workshops, plant and machinery namely higher capacity cranes/shiplift, etc.

53. **Steps taken by the Company for utilizing alternate source of energy**. The Company has installed two in number 2 KW solar power plants on W2 and E1 substations as alternate source of energy. The procurement of one number 250 KW Solar Power plant is also in progress.



Solar Panels installed at GSL

54. **The capital investment on energy conservation equipment**. Capital investment on energy conservation equipment for FY 2017-18 is Rs 50,00,000/-.

Other Information

55. Details regarding the Company's Financial Performance, Industrial Relations, Human Resource Development, Indigenisation, Foreign Exchange earnings & outgo and CSR programmes have been included in the Directors' Report and Annexure thereto.



ANNEXURE 'D' TO DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT FOR FY 2017-18

1. The Report on Corporate Governance along with a 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 (DPE), vide DPE's OM No.18(8)/2005-GM dated 14.05.2010, is given below:

PHILOSOPHY ON CORPORATE GOVERNANCE

2. 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 of 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 conflicts of interest. It also accords due importance to adherence to the adopted corporate values and objectives and discharging social responsibilities as a corporate citizen.

3. In keeping with its professional approach, your Company is implementing the precepts of Corporate Governance in letter and spirit. The Company has set itself new mission with the objective of expanding its capacities and becoming globally competitive in its business. The Company expects to realize its vision by achieving its goals of value creation, safety, environment and people.

BOARD OF DIRECTORS

Composition of Board of Directors

4. The Board of Directors of the Company as on 31.03.2018 consisted of 06 members, viz., 04 Whole-time Directors including the Chairman & Managing Director, 01 Part-time Official (Government) Director and 01 Part-time Non-Official (Independent) Director, as follows:-

Whole time Directors

1.	RAdm Shekhar Mital, NM, IN (Retd), Chairman & Managing Director
2.	Shri Shrihari Pai Raikar, Director (Operations)
3.	Shri T.N.Sudhakar, Director (Finance)
4.	Cmde Bharat Bhushan Nagpal, NM, IN (Retd), Director (Corporate Planning, Projects & Business Development)

Part-time Official (Government) Director

5.	Shri Vijayendra, Joint Secretary (Naval Supplies), Ministry of Defence

Part-time Non-Official (Independent) Director

6.	Shri K. Mohandas



5. GSL being a Government Company under the administrative control of the Ministry of Defence, the power to appoint Directors (including Independent Directors) vests with the Government of India. There were 02 vacancies of Part-time Non-Official (Independent) Directors including Woman Director as on 31.03.2018. The Company is pursuing with the Ministry of Defence to induct requisite number of Independent Directors including one Woman Director as required under the provisions of the Companies Act, 2013 and DPE Guidelines on Corporate Governance.

6. Ministry of Defence vide letter No.2(9)/2016/GSL/D(NS) dated 2nd May 2018 appointed Shri Shrikrishna Jagannath Kamat to the post of Director (Operations), GSL, for a period of five years from the date of his assumption of charge of the post on or after 01.06.2018, or till the date of his superannuation, or until further orders, whichever is the earliest. Shri Shrikrishna J. Kamat has assumed the charge of the post of Director (Operations), GSL on 01.06.2018.

7. Shri Shrikrishna Kamat is a Bachelor in Mechanical Engineering and is a Fellow of Institute of Engineers. He started his career with Goa Shipyard in May, 1984 as a Graduate trainee and has worked for a period of 34 years. He has held various key positions in the functional and operational areas in the Company. He has long experience of working in departments like Production, Quality Assurance, Planning, Design and Forward Projects. His last posting was in Forward Projects Group as Chief General Manager wherein two prestigious contracts for export were initiated and concluded successfully in addition to domestic contracts.

8. He was instrumental in establishing capability for Propulsion System Integration as part of the in-house ship design and many other initiatives in ship design, project planning and shipbuilding. He had also worked on successful implementation of the ERP system at yard. In the course of his duties, he has visited number of countries which include France, Germany, United Kingdom, Italy, Korea, Indonesia, Oman, Vietnam, Mauritius, Seychelles and Sri Lanka etc.

9. Shri Shrikrishna Kamat holds 88 Equity Shares of Rs.5/- each in Goa Shipyard Limited.

Meetings of Board and Attendance

10. During the financial year ended 31st March, 2018, **five** Meetings of the Board of Directors were held, i.e., on 15.06.2017, 21.07.2017, 26.09.2017, 11.12.2017 and 16.02.2018. The quorum was present at all the meetings. Details of attendance of the Directors at the Board Meetings, Annual General Meeting and the number of other directorships held by them during 2017-18 etc. are furnished below:



Sr. No.	Name of Director	Meetings held during respective tenure of Director	No. of Board Meetings attended	Attendance at the last AGM held on 26.09.2017	No. of other directorships held	No. of committee membership in other companies as on 31.03.2018	
						As Chairman	As Member
1.	RAdm Shekhar Mital, (Retd), CMD	05	05	Yes	01	Nil	Nil
2.	Shri Shrihari Pai Raikar, Director (Operations)	05	05	Yes	Nil	Nil	Nil
3.	Shri T.N. Sudhakar, Director (Finance)	05	05	Yes	Nil	Nil	Nil
4.	Cmde Bharat Bhushan Nagpal, (Retd), Director (CPP & BD)	05	05	Yes	Nil	Nil	Nil
5.	Shri Vijayendra, Government Director	05	04	No	01	Nil	Nil
6.	Smt. Kusum Singh, Government Director (Upto 01.09.2017)	02	Nil	NA	Nil	NA	NA
7.	Shri Ashok Nayak, Independent Director (Upto 22.07.2017)	02	02	NA	01	NA	NA
8.	Shri K. Mohandas, Independent Director	05	05	Yes	03	1	1

Code of Business Conduct and Ethics

11. The Code of Business Conduct & Ethics for all Board members and Senior Management of the Company has been posted on the Company's Website **www.goashipyard.in**. All Board members and Senior Management personnel have affirmed the compliance with the Code of Business Conduct and Ethics. A declaration to this effect by the Chairman & Managing Director is appended to this Report.

AUDIT COMMITTEE

Terms of Reference of Audit Committee

12. The terms of reference of the Audit Committee as per the revised "Audit Committee Charter" approved by the Board at its meeting held on 30.07.2014, inter alia, include the following:-

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

(d) 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.



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

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

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

(h) Reviewing Management discussion and analysis of financial condition and results of operations.

Composition of Audit Committee

13. The Audit Committee of Board of Directors was last reconstituted w.e.f. 23.07.2017. Due to pendency of appointment of 02 Independent Directors including Woman Director on the Board of the Company by Administrative Ministry, the Audit Committee is not having adequate number of Independent Directors as required pursuant to Section 177 of the Companies Act, 2013 and DPE Guidelines on Corporate Governance. The composition of Audit Committee as on 31.03.2018 was as under:

Sr. No.	Name of Member	Category
1.	Shri K. Mohandas, Chairman	Independent Director
2.	Shri S. P. Raikar	Director (Operations)
3.	Cmde Bharat Bhushan Nagpal, (Retd) (From 23.07.2017)	Director (CPP&BD)

Meetings of Audit Committee and Attendance

14. During the year ended 31.03.2018, the Audit Committee met five times, i.e. on 15.06.2017, 21.07.2017, 26.09.2017, 11.12.2017 and 16.02.2018. The quorum was present at all the meetings. The Chairman & Managing Director, the Director (Finance), Internal Auditor, General Manager (Finance) and the Statutory Auditors of the Company attended the meetings of the Audit Committee as Invitees. The Company Secretary acts as the Secretary to Audit Committee. The Minutes of the meetings of the Audit Committee were placed before the Board in its subsequent meeting for information. The attendance of the Chairman and Members of the Audit Committee in these meetings was as follows:

Sr. No.	Name of Member	Meetings held during respective tenure of Director	No. of Meetings attended
1.	Shri K. Mohandas, Chairman	05	05
2.	Shri Ashok Nayak Independent Director (Upto 22.07.2017)	02	02
3.	Shri S.P. Raikar	05	05
4.	Cmde. Bharat Bhushan Nagpal, (Retd) (From 23.07.2017)	03	03

15. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

16. Shri K. Mohandas, Part-time Non-Official (Independent) Director, Chairman of the Audit Committee, attended the 51st Annual General Meeting of the Company held on 26th September, 2017.



NOMINATION & REMUNERATION CUM HUMAN RESOURCE COMMITTEE

Terms of Reference of Nomination & Remuneration cum HR Committee of Directors

17. The Nomination & Remuneration cum HR Committee of Directors (N&RHR Committee) acts in accordance with the Charter for the said Committee as revised by the Board at its meeting held on 13.11.2015, which inter alia, include the following:-

(a) To decide matters related to modification/revision/introduction of changes in Performance Management System (PMS) internally or through outsourcing the services to an external consultant.

(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 accordingly, approve or recommend the same to the Board as per financial implication involved.

Composition of Nomination & Remuneration cum HR Committee of Directors

18. The N&RHR Committee was last reconstituted w.e.f. 23.07.2017. Due to pendency of appointment of 02 Independent Directors including Woman Director on the Board of the Company by Administrative Ministry, the N&RHR Committee is not having adequate number of Non-Executive and Independent Directors as required under Section 178 of the Companies Act, 2013 and DPE Guidelines on Corporate Governance. The composition of N&RHR Committee as on 31.03.2018 was as under:

Sr. No.	Name of Member	Category
1.	Shri K. Mohandas, Chairman (From 23.07.2017)	Independent Director
2.	Shri Vijayendra, JS (NS)	Govt. Nominee Director
3.	Director (CPP & BD)	Functional Director

19. Director (Operations) and Director (Finance) are the Permanent Special Invitees to the N&RHR Committee. The Head of HR&A Dept. is the Secretary to the Committee.

Meetings of Nomination & Remuneration cum Human Resource Committee of Directors and Attendance

20. During the year ended 31.03.2018, four meetings of the N&RHR Committee were held i.e. on 14.06.2017, 25.09.2017, 11.12.2017 and 16.02.2018. The quorum was present at all the meetings. The Minutes of the meetings of N&RHR Committee were placed before the Board in its subsequent meetings for information. The attendance of the Chairman and Members of the N&RHR Committee in these meetings was as follows:-

Sr. No.	Name of Member	Meetings held during respective tenure of Director	No. of Meetings Attended
1.	Shri Ashok Nayak - Chairman (Upto 22.07.2017)	01	01
2.	Shri K. Mohandas - Member (Upto 22.07.2017) / - Chairman (From 23.07.2017)	04	04
3.	Shri Vijayendra, JS(NS)	04	Nil
4.	Smt. Kusum Singh, JS(P&C) (From 23.07.2017 to 01.09.2017)	Nil	Nil
5.	Cmde. B. B. Nagpal, (Retd), Director (CPP & BD)	04	04



OTHER BOARD SUB-COMMITTEES

PROCUREMENT SUB-COMMITTEE (PSC) OF DIRECTORS

Terms of Reference and Composition of Procurement Sub-Committee (PSC) of Directors

21. The Procurement Sub-Committee (PSC) of Directors approves the proposals for placement of orders for procurement of materials, equipment, tools, stores & spares, imports, works, sub-contracts, facility hire, capital expenditure, etc., of specified value as per the powers delegated by the Board. The PSC was last reconstituted w.e.f. 23.07.2017. The composition of the PSC as on 31.03.2018 was as follows:

1.	Chairman & Managing Director, GSL	Chairman
2.	Director (Operations), GSL	Member
3.	Director (CPP&BD), GSL	Member
4.	Director (Finance), GSL	Member
5.	Shri K. Mohandas, Independent Director	Member (From 23.07.2017)

Meetings of Procurement Sub-Committee (PSC) of Directors and Attendance

22. During the year ended 31.03.2018, two meetings of the Procurement Sub-Committee of Directors were held, i.e., on 14.06.2017 and 20.07.2017. The quorum was present at all the meetings. The Minutes of the meetings of the said Committee were placed before the Board in its subsequent meetings for information. The attendance of the Chairman and Members of the Committee in the meetings was as follows:

Sr. No.	Name of Member	Meetings held during respective tenure of Director	No. of Meetings Attended
1.	RAdm. Shekhar Mital, (Retd), CMD- Chairman	02	02
2.	Shri Shrihari Pai Raikar, Director (Operations)	02	02
3.	Shri T.N. Sudhakar, Director (Finance)	02	02
4.	Cmde. B. B. Nagpal, (Retd), Director (CPP&BD)	02	02
5.	Shri Ashok Nayak, Independent Director - Member (Upto 22.07.2017)	02	02
6.	Shri K. Mohandas, Independent Director - Member (From 23.07.2017)	Nil	Nil

COMMITTEE ON SUSTAINABLE DEVELOPMENT AND CORPORATE SOCIAL RESPONSIBILITY

Terms of Reference and Composition of Committee on Sustainable Development & Corporate Social Responsibility

23. The Committee on Sustainable Development & Corporate Social Responsibility (SD & CSR Committee) was constituted by the Board of Directors to undertake various projects under Corporate Social Responsibility in terms of provisions of the Companies Act, 2013 and the guidelines issued by DPE. The Committee was last reconstituted w.e.f. 23.07.2017. The composition of the said Committee as on 31.03.2018 was as follows:



1.	Shri. K. Mohandas	Independent Director	Chairman (From 23.07.2017)
2.	Director (Operations)	Functional Director	Member
3.	Director (Finance)	Functional Director	Member
4.	Director (CPP&BD)	Functional Director	Member

Meetings of Committee on Sustainable Development & Corporate Social Responsibility and Attendance

24. During the year ended 31.03.2018, four meetings of the SD & CSR Committee were held, i.e., 14.06.2017, 25.09.2017, 12.12.2017 and 16.02.2018. The quorum was present at all the meetings. The Minutes of the meetings of the Committee were placed before the Board in its subsequent meetings for information. The attendance of the Chairman and Members of the Committee in the meetings was as follows:

Sr. No.	Name of Member	Meetings held during respective tenure of Director	No. of Meetings Attended
1.	Shri Ashok Nayak, Independent Director - Chairman (Upto 22.07.2017)	01	01
2.	Shri K. Mohandas, Independent Director - Member (Upto 22.07.2017) / Chairman (From 23.07.2017)	04	04
3.	Shri S. P. Raikar, Director (Operations)	04	04
4.	Shri T.N. Sudhakar, Director (Finance)	04	04
5.	Cmde. B. B. Nagpal, (Retd), D(CPP & BD)	04	04

PROJECT REVIEW SUB COMMITTEE (PRSC)

Terms of Reference and Composition of Project Review Sub Committee of Directors

25. The Project Review Sub Committee (PRSC) of Directors was constituted as per the directions of the MOD. The PRSC was reconstituted from 23.07.2017 consequent to the completion of the tenure of Shri Ashok Nayak on 22.07.2017. The composition of the said Committee as on 31.03.2018 was as follows:

1.	Shri K. Mohandas	Independent Director	Chairman (From 23.07.2017)
2.	Director (CPP & BD)	Functional Director	Member
3.	Director (Operations)	Functional Director	Member
4.	Director (Finance)	Functional Director	Member

26. The assignment of 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 the adherence of the contractual provisions and approved procurement policy of the Company in important cases of procurement.

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

(d) Submit its report to the CMD at least on a quarterly basis.

(e) Keep the Board of Directors informed of the findings of the Committee from time to time.



Meetings of Project Review Sub Committee of Directors and Attendance

27. During the year ended 31.03.2018, four meetings of the PRSC were held, i.e. on 15.06.2017, 26.09.2017, 12.12.2017 and 16.02.2018. The quorum was present at all the meetings. Minutes of the meetings of the PRSC were placed before the Board of Directors in its subsequent meetings for information. The Chairman of the PRSC of Directors is an Independent Director. The attendance of the Chairman and Members of the Committee in the meetings was as follows:

Sr. No.	Name of Member	Meetings held during respective tenure of Director	No. of Meetings Attended
1.	Shri Ashok Nayak - Chairman (Upto 22.07.2017)	01	01
2.	Shri K. Mohandas - Chairman (From 23.07.2017)	03	03
3.	Shri Shrihari Pai Raikar, Director (Operations)	04	04
4.	Shri T.N. Sudhakar, Director (Finance)	04	04
5.	Cmde. B.B. Nagpal, (Retd), Director (CPP&BD)	04	04

INVESTMENT COMMITTEE

Composition and Terms of Reference of Investment Committee

28 As on 31.03.2018, the composition of the Investment Committee of Directors constituted by the Board was as follows:

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

29. The Investment Committee is empowered, *inter alia*, to make investment of short term surplus funds of the Company as per DPE guidelines and Board directives, to avail funded and non-funded facilities from the Bankers, 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 to avail the facility of overdraft from nationalized and private sector banks for day to day requirement, upto the ceiling limits approved by the Board. The Investment Committee accords approval as required for investment/ other funding arrangement as and when put up before the Committee.

SHARE TRANSFER COMMITTEE

Composition and Terms of Reference of Share Transfer Committee

30. The Board of Director at their 01/2018 meeting held on 16.02.2018, constituted '**Share Transfer Committee'** pursuant to the applicable provisions of the Articles of Association of the Company, the Companies Act, 2013 and the Rules made thereunder. The composition of the said Committee as on 31.03.2018 was as follows:



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

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

32. The terms of reference of Share Transfer Committee 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.

33. No meeting was held during the period as the Company had not received any request for the aforesaid purposes.

MEETINGS OF INDEPENDENT DIRECTORS

34. According to Schedule IV to the Companies Act, 2013 a separate meeting of the Independent Directors of the Company was held on 20.07.2017 which was attended by Shri Ashok Nayak and Shri K. Mohandas, Non Official Part Time (Independent) Directors.

REMUNERATION OF DIRECTORS

35. GSL being a Central Government Public Sector Enterprise, the appointment, tenure and remuneration of Directors of the Company is decided by the Government of India. The Company does not pay any commission to its Directors. Details of remuneration paid to the Whole time Directors for the year ended 31st March, 2018, are given below:

(Rs. in lakh)

Sl. No.	Name of Director	Salary (Rs)	Perquisites as per IT Rules (Rs)	Contribution to PF (Rs)	Total (Rs)
1.	RAdm. Shekhar Mital, (Retd) CMD	67.69	4.24	3.18	75.11*
2.	Shri Shrihari Pai Raikar, Director (Operations)	53.81	0.00	2.78	56.59*
3.	Shri T.N. Sudhakar, Director (Finance)	47.49	0.00	2.60	50.09*
4.	Cmde. B.B. Nagpal, (Retd), Director (CPP& BD)	50.68	0.00	3.03	53.71*

* including Pay Revision arrears.



36. Non-Official Part-time (Independent) Directors are paid sitting fees only for attending meetings of the Board of Directors and Committees thereof. The Independent Directors are paid sitting fees of Rs.15,000/- per meeting of the Board or Committee thereof attended by them. In case more than one meeting of the Board or Committee thereof is held on the same day, the sitting fees payable are Rs.15,000/- for the first meeting and Rs.10,000/- for every additional meeting on the same day attended by the Independent Director. Part-time Government Directors are not paid sitting fees or any other remuneration. The sitting fees paid to Non-Official Part-time (Independent) Directors during the year 2017-18 are as follows:

(Rs. in lakhs)

Sl. No.	Name of the Non-Official Part-time (Independent) Directors	Sitting Fee (Rs)
1.	Shri K. Mohandas	2.65
2.	Shri Ashok Nayak (Upto 22.07.2017)	1.30
	Total	**3.95**

DIRECTORS' SHAREHOLDING

37. Except Shri Shrihari Pai Raikar, Director (Operations), none of the Directors of the Company held any shares of the Company as on 31.03.2018. He held 40 equity shares of Rs 5/- each of the Company as on 31.03.2018.

GENERAL BODY MEETINGS

38. Details of the Annual General Meetings held during the last three years are as follows:

Year	Location	Date and Time
2014-15	Registered Office of the Company, Vaddem, Vasco-da-Gama, Goa.	28th September, 2015 at 1600 hours
2015-16	Registered Office of the Company, Vaddem, Vasco-da-Gama, Goa.	28th September, 2016 at 1615 hours
2016-17	Registered Office of the Company, Vaddem, Vasco-da-Gama, Goa.	26th September, 2017 at 1630 hours

39. All the resolutions set out in the respective notices of last three Annual General Meetings (AGMs) were passed by the shareholders. No special resolutions were proposed in the said AGMs. No resolutions were put through postal ballot.

DISCLOSURES

40. (a) There were no cases of related party transactions that may have potential conflict with the interests of the Company at large.

(b) The Company has complied with applicable laws except those relating to required number of Independent Directors including Woman Director on the Board. GSL being a Government Company is pursuing with the Government of India to induct requisite number of Independent Directors. No penalties/strictures were imposed on the Company by any Statutory Authority on any matter related to any guidelines issued by Government, during the last three years.



(c) The Company has promulgated a Whistle Blower Policy.

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

(e) The Company has complied with all the requirements of the DPE Guidelines on Corporate Governance except in respect of composition of the Board of Directors. Certificate regarding Compliance of Corporate Governance guidelines from Practicing Company Secretary is enclosed to this Report.

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

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

(h) There were no expenses incurred which are of personal in nature and incurred for the Board of Directors and Top Management.

(i) Details of Administrative and office expenses as a percentage of total expenses vis-à-vis financial expenses and reasons for increase are given below:

As compared to last year, Administrative Expenses (Other Expenses) increased by 18.99% due to increase in business activities and financial expenses decreased by 55.87% due to reduction in short term borrowings.

MEANS OF COMMUNICATION

41. Annual Report is circulated to members and others entitled thereto. The Management Discussion and Analysis Report and Corporate Governance Report form part of the Annual Report. The Annual Report of the Company is posted on the Company's Website **www.goashipyard.in** in English and Hindi. A press release is generally issued in the newspapers after conclusion of the Annual General Meeting.

AUDIT QUALIFICATIONS

42. There were no audit qualifications on the Company's financial statements.

SHARE TRANSFER SYSTEM

43. Shares sent for transfer are registered within the stipulated period by approving authority as follows:

(a) Shares having face value upto Rs. 2,00,000/- in each Securities Transfer Form - by Chairman & Managing Director; and

(b) More than Rs. 2,00,000 /- by Share Transfer Committee.

Shares under objection are returned within the stipulated period, seeking suitable rectification.



SHAREHOLDING PATTERN

44. The shareholding pattern as on 31st March, 2018 is given below:

Sr. 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%**

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

45. Section 124 of the Companies Act, 2013 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 to the Investor Education and Protection Fund (IEPF) established by Central Government under Section 125 (1) of the Act. Accordingly, during the year 2017-18 an amount of Rs.18225/- pertaining to Unclaimed/Unpaid Dividend for the Year 2009-10 was transferred to the IEPF. The amount of Dividend for the Year 2010-11 which remains unpaid/unclaimed as on 15.09.2018 will be transferred to the Fund 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.

46. 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, 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. Accordingly, the Company has transferred the shares in respect of which dividend declared for the financial year 2008-09 remained unpaid or unclaimed by the members for seven consecutive years or more. There were no shares liable to be transferred for dividend declared for the financial year 2009-10.

47. Shares in respect of which dividend declared for the financial year 2010 - 11 has not been paid or claimed by the members for seven consecutive years or more shall be transferred to IEPF Authority on or before 14.10.2018. The Company has already initiated necessary action for transfer of the aforesaid shares. Members are advised to visit the website of the Company www.goashipyard.in to ascertain details of shares liable to be transferred in the name of IEPF Authority.

48. Further, Section 125 of the Companies Act, 2013 provides that a shareholder whose dividend amount / shares have been transferred to the IEPF shall be entitled to claim refund there from.



ADDITIONAL/GENERAL INFORMATION FOR SHAREHOLDERS

52nd Annual General Meeting

Date : 17th September, 2018.
Time : 1615 hours
Venue : Registered Office of the Company, Vaddem, Vasco-da-Gama, Goa-403 802.

Yard Location

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

ii) GSL Units II, III & IV,
Sancoale Industrial Estate,
Zuarinagar, Goa - 403 726.

Registered Office/Address for correspondence

Goa Shipyard Limited,
Registered Office: Vaddem House, Vaddem,
Vasco-da-Gama, Goa - 403 802.
Phone: 0832-2512152-56 **Fax**: 0832-2513943
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 31st March, 2018.

For Goa Shipyard Limited

[RAdm. Shekhar Mital, NM, IN (Retd)]
Chairman & Managing Director

Vasco-da-Gama, Goa.
28th June, 2018



PRACTICING COMPANY SECRETARY'S CERTIFICATE

To

The Members
Goa Shipyard Limited

I have examined the compliance of conditions of corporate governance by Goa Shipyard Limited, for the year ended on 31.03.2018, as stipulated in the Department of Public Enterprises (DPE) Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) 2010 issued by the Government.

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

In my opinion and to the best of my information and according to the explanation given to me, I certify that the Company has complied with the aforesaid Guidelines on Corporate Governance. However there is a vacancy of one Independent Director and one Women Director on the Board of the Company. I have been informed that the filling up of these vacancies is pending with Administrative Ministry of the Company i.e. Ministry of Defence.

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

Francisco Dias
Company Secretary
FCS No: 2225
CP No. 3765

Place: Vasco da Gama, Goa.
Date: 17th May, 2018

ANNEXURE 'E' TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES 2017-18

1. **A brief outline of GSL CSR & Sustainability Policy**

(a) GSL has been a vital part of the Goan industrial landscape, integrating seamlessly into the community, besides generating employment and business opportunities for the local populace. It constantly strives to foray beyond the scope of its business activities reaching out to Community with active participation in the social development of the local population. The Company has always been conscious of its Corporate Social Responsibility (CSR) commitments and over the years, it has shaped a range of broad objectives in the social domain encompassing a charter of activities to foster sustainable community development.

(b) GSL CSR & Sustainability Policy is applicable to the entire range of CSR and Sustainability initiatives taken up by GSL, with thrust on inclusive growth and development, safe drinking water and sanitation, health, education, basic needs of the under privileged and weaker/BPL sections of the society, old and aged senior citizen, physically challenged, environment sustainability, promote renewable sources of energy, watershed management, reduction of carbon emissions, promotion of green and energy efficient technologies, etc.

(c) In alignment with **Vision** of the Company and **Swachh Bharat Campaign** of the Government of India, the Company through its CSR and Sustainability Policy initiatives, intends to contribute towards social development and meaningful quality of life of the community in which it operates through value creation, promoting inclusive growth of the society & community and environmental sustainability in fulfillment of its role as a Socially Responsible Corporate.

(d) In order to strengthen the CSR initiative, a baseline survey and need assessment in the State of Goa was conducted by Tata Institute of Social Sciences in consultation with various stakeholders and Government agencies. Accordingly, projects have been identified with Long and Medium Term perspectives, for implementation under CSR which include medical and healthcare, education, skill development, community development, environment and Swachh Bharat related activities, etc.

(e) The Company is currently implementing five major projects under CSR and Sustainability activities in the State of Goa. These include Agri Co-operative Project in Canacona Taluka, Dairy Co-operative Project in Pernem Taluka, Skill Development Project in Mormugao Taluka, Watershed Project in Bali and Adne village and Mobile Medical Project in and around the vicinity of Vasco. All these projects are aimed at increasing livelihood opportunities in the region, nurturing agriculture and allied activities, enhancing entrepreneurship skills, empowering community, imparting employability skill, health awareness and sustainable development, etc.

(f) Towards Special CSR activities, under Swachh Bharat Abhiyan, GSL has constructed/ renovated toilets in various schools and adopted road from St. Andrew Circle, Vasco to Airport Junction, Dabolim for regular cleaning activity. GSL has also organised special cleaning drive on the occasion of Gandhi Jayanti on 2nd October, 2017 where various parts of Vasco City were cleaned with combine efforts of GSL team. The yard has also undertaken Skill Development Programme in



collaboration with CII, Goa to identify skill sets needed by GSL and its vendors and adopted Vasco ITI to make it a model ITI, facilitated poor patients in getting Medical Assistance at Goa Medical College (GMC), Bambolim in collaboration with Matruchhaya Rugna Seva Kendra. GSL has promoted education through educational aid support i.e. construction of labs, providing school uniforms to students and provision of safe drinking water for school children etc. Apart from this, GSL has also supported societal activities such as construction of road, footpaths and bus shed for local populace.



Swachhata Hi Sewa Campaign at Adne & Bali Village



School Health Awareness programme



Community eye check up camp under medical CSR

(g) The projects are implemented through specialized agencies / NGOs empanelled by National CSR Hub (NCSRH). Besides, GSL CSR Cell and the Project teams have been assigned the responsibility for co-ordination, monitoring and timely execution of the projects. Each project team comprises of one Executive, one Supervisor and one employee of the Company.

(h) CSR and Sustainability initiatives of the Company are reported on GSL Website www.goashipyard.in.

2. Composition of the CSR Committee

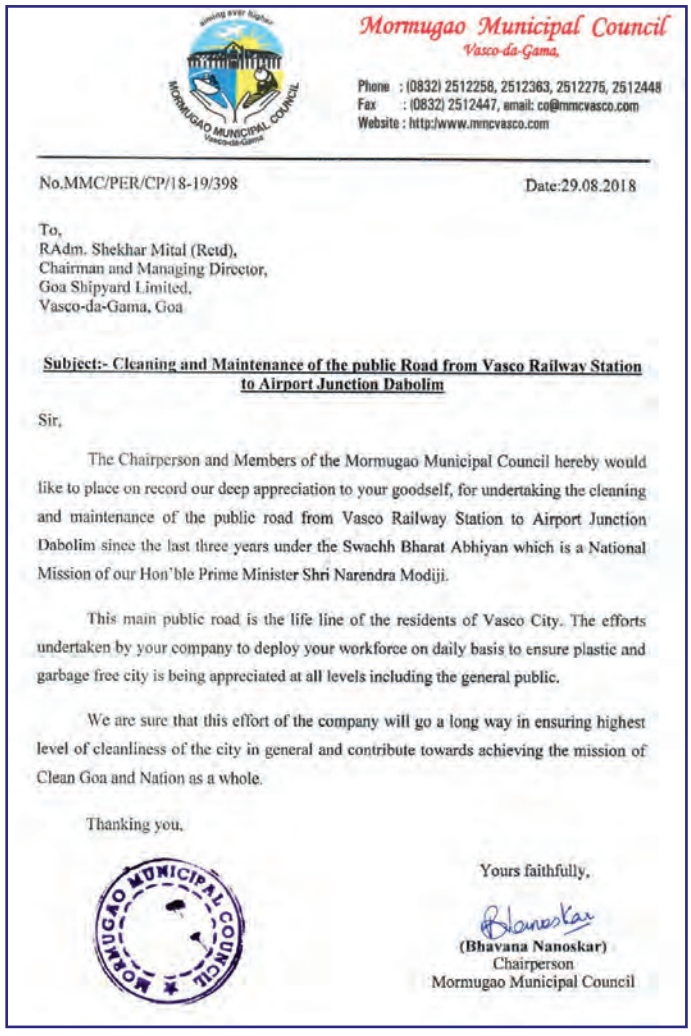
The Company has a Two-Tier Organizational Structure for planning, implementing & monitoring CSR & Sustainability Policy. The composition of the Two-Tier Structure is given below:-

Tier – I: Board Level Committee

Independent Director	Chairman
Independent Director	Member
Functional Director	Member
Functional Director	Member
Functional Director	Member
Nodal Officer – Head of Tier II ommittee	Member

Tier – II: Below Board Level Committee (CSR & Sustainability Cell)

General Manager (HR & A)	Chairman
Chief General Manager (Health, Safety & Environment)	Member
Additional General Manager (HR)	Coordinator
Deputy General Manager (Civil)	Member
Deputy General Manager (Finance - III)	Member
Deputy General Manager (I/E - Comm)	Member
Deputy General Manager (Admin)	Member
Public Relations Officer	Member
Assistant Manager (HR)	Member



Mormugao Municipal Council
Vasco-da-Gama,

Phone : (0832) 2512258, 2512363, 2512275, 2512448
Fax : (0832) 2512447, email: co@mmcvasco.com
Website : http:/www.mmcvasco.com

No.MMC/PER/CP/18-19/398 Date:29.08.2018

To,
RAdm. Shekhar Mital (Retd),
Chairman and Managing Director,
Goa Shipyard Limited,
Vasco-da-Gama, Goa

Subject:- Cleaning and Maintenance of the public Road from Vasco Railway Station to Airport Junction Dabolim

Sir,

The Chairperson and Members of the Mormugao Municipal Council hereby would like to place on record our deep appreciation to your goodself, for undertaking the cleaning and maintenance of the public road from Vasco Railway Station to Airport Junction Dabolim since the last three years under the Swachh Bharat Abhiyan which is a National Mission of our Hon'ble Prime Minister Shri Narendra Modiji.

This main public road is the life line of the residents of Vasco City. The efforts undertaken by your company to deploy your workforce on daily basis to ensure plastic and garbage free city is being appreciated at all levels including the general public.

We are sure that this effort of the company will go a long way in ensuring highest level of cleanliness of the city in general and contribute towards achieving the mission of Clean Goa and Nation as a whole.

Thanking you,

Yours faithfully,

(Bhavana Nanoskar)
Chairperson
Mormugao Municipal Council

3. The Average net profit of the company for last three financial years (FY 14-15, FY 15-16 and FY 16-17) : Rs. 11377.00 lacs

4. The Prescribed CSR Expenditure (Two percent of the amount as in item 3 above) : Rs. 227.55 lacs

5. Details of CSR spent during the financial year:
   (a) Total amount to be spent for the financial year : Rs. 227.55 lacs
   (b) Amount unspent, if any. : Nil
   (c) Amount spent during the financial year: Rs. 288.29 lacs as per details placed below:



(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	**CSR Project or activities identified**	**Sector in which the Project is covered**	**Implementing Agency**	**Projects or programmes (1) Local area or other (2) Specify the State and district where projects or programmes was undertaken**	**Amount outlay (budget) project or program-mes wise (Rs. in lacs)**	**Amount spent on the projects or program mes (Rs. in lacs)**	**Cumulative expenditure upto to the reporting period (Rs. in lacs)**	**Amount spent: Direct or through imple-menting agency**
PROJECT MODE								
1.	Agri Co-operative Project	Agriculture	TISS, NCSR Hub Mumbai	Canacona Taluka, Goa	6.50	1.27	105.08	Through implementing agency
2.	Dairy Co-operative Project	Dairy	TISS, NCSR Hub Mumbai	Pernem Taluka, Goa	6.50	1.27	108.38	
3.	Watershed Management Project	Rain Water Harvesting	Mineral Foundation of Goa	Adne and Bali, Goa	10.00	10.00	88.61	
4.	3G Welding Training & Construction of Centre of Excellence at ISBT, Bogda	Skill Development	Society for Industrial and Technical Education of Goa	Bogda, Vasco, Goa	41.70	21.98	130.82	
5.	Mobile Medical Project	Health	GSL	Vasco, Mormugao, Goa	20.00	15.51	206.83	Direct
NON-PROJECT MODE								
1.	Swachh Bharat activities: (Construction/ renovation of toilets, Adoption of Road, Swachh Bharat Kosh etc.)	Health/ Sanitation	GSL	Vasco, Mormugao, Goa	111.96	86.57	Not applicable being a yearly activity separately carried out	Direct
2.	Other Activities: Educational aid to schools, Construction of Lab, Construction of Footpaths, Skill Develop. Prog. with CII, Facilitating patients at GMC, Adoption of Vasco ITI, provision of safe drinking water for school children etc.	Education/ Health/ Social/ Skill Develop-ment	GSL	Vasco, Mormugao, Goa	342.83	151.69	Not applicable being a yearly activity separately carried out	Direct
	TOTAL				**539.49**	**288.29**		



6. In case, the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. - **Not Applicable.**

RESPONSIBILITY STATEMENT

7. A Responsibility Statement of the Committee on Sustainable Development & Corporate Social Responsibility of the Board of Directors of the Company is given below:

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy is in compliance with CSR objectives and Policy of the Company.'

[RAdm. Shekhar Mital, NM, IN (Retd)
Chairman & Managing Director

(K.Mohandas)
Chairman, Committee on SD & CSR

Place: Vasco-da-Gama, Goa.
Date: 28th June, 2018



ANNEXURE 'F' TO DIRECTORS' REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2018

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

I. REGISTRATION AND OTHER DETAILS :

(i)	CIN	U63032GA1967GOI000077
(ii)	Registration Date	29.09.1967
(iii)	Name of the Company	Goa Shipyard Limited
(iv)	Category/sub-category of the Company	Public Company/Govt. Company
(v)	Address of the Registered Office and Contact details	Vaddem House, Vaddem, Vasco-da-Gama, Goa - 403802 Tel : (0832) 2512152 to 2512156, 2512359 (24 hours)
(vi)	Whether listed Company	No
(vii)	Name, Address and contact details of Registrar and Transfer Agent, if any	**For transfer of shares to IEPF:** Purva Sharegistry (India) Pvt. Ltd. 9 Shiv Shakti Ind. Estt., J R Boricha Marg, Lower Parel East, Mumbai - 400 011 Tel.: 2301 6761 / 2301 2518 Fax: 2301 2517 Email: busicomp@vsnl.com

II. PRINCIPAL BUSINESS ACTIVITES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product / Service *	% of total turnover of the company
1.	Ship Construction	301/3011 – Building of ships and floating structures	83%
2.	Ship Repairs & General Engineering Services	301/3315 – Repair of transport equipment, except motor vehicles	17%

* As per National Industrial Classification – Ministry of Statistics and Programme Implementation

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	N.A.	N.A.	N.A.	N.A.	N.A.
2	N.A.	N.A.	N.A.	N.A.	N.A.

N.A. – Not Applicable.



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) *Category-wise Share Holding*

Category of Shareholders	No. of Shares of Rs.5/- each held at the beginning of the year				No. of Shares of Rs.5/- each held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other...	0	0	0	0	0	0	0	0	0
Sub - Total (A)(1):	0	0	0	0	0	0	0	0	0
(2) Foreign									
a) NRIs -Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
Sub - Total (A)(2):	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)=(A)(1) + (A)(2)	0	0	0	0	0	0	0	0	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	59466780	59466780	51.09	0	59466780	59466780	51.09	0
d) State Govt. (s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others specify Govt. Company (MDL)	0	54957600	54957600	47.21	0	54957600	54957600	47.21	0
Sub - Total (B)(1):-	0	114424380	114424380	98.30	0	114424380	114424380	98.30	0

Category of Shareholders	No. of Shares of Rs.5/- each held at the beginning of the year				No. of Shares of Rs.5/- each held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	0	1362688	1362688	1.170	0	1362688	1362688	1.170	0
ii) Overseas	0	4408	4408	0.004	0	4408	4408	0.004	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	0	142924	142924	0.123	0	139518	139518	0.120	(0.003)
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	0	243000	243000	0.209	0	243000	243000	0.209	0
c) Others (specify)									
i) Mormugao Port Trust	0	226348	226348	0.194	0	226436	226436	0.194	0
ii) IEPF Authority	0	0	0	0	3318*	0	3318	0.003	0.003
Sub-total (B)(2):-	0	1979368	1979368	1.70	3318	1976050	1979368	1.70	0
Total Public Shareholding (B) = (B)(1) + (B)(2)	0	116403748	116403748	100.00	3318	116400430	116403748	100.00	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand total (A+B+C)	**0**	**116403748**	**116403748**	**100.00**	**3318**	**116400430**	116403748	**100.00**	**0**

* During the year, 3318 Equity Shares of Rs. 5/- each were transferred in terms of Section 124(6) of the Companies Act, 2013 and rules made thereunder to Demat Account of IEPF Authority opened with National Securities Depository Limited.

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	N.A.	0	0	0	0	0	0	0
	Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**



(iii) Change in Promoters' Shareholding (please specify if there is no change)

Sl No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/ bonus/sweat equity etc.):	0	0	0	0
	At the end of the year	0	0	0	0

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

Sl No.	Name of Shareholder	Shareholding at the beginning of the year as on 01.04.2017		Increase in Shareholding during the year (as on 26.02.2018)	Cumulative Shareholding during the year (as on 31.03.2018)	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	Transfer of shares	No. of shares	% of total shares of the company
1	2	3	4	5	6	7
1	President of India	59466780	51.09%	-	59466780	51.09%
2	Mazagon Dock Shipbuilders Ltd.	54957600	47.21%	-	54957600	47.21%
3	Dempo Brothers Ltd.	415620	0.36%	-	415620	0.36%
4	V. M. Salgaocar & Brother Pvt. Ltd.	405000	0.35%	-	405000	0.35%
5	Vedanta Limited	250828	0.22%	-	250828	0.22%
6	Mormugao Port Trust	226348	0.19%	88	226436	0.19%
7	Gangadhar Narsingdas Agrawal	195300	0.17%	-	195300	0.17%
8	Damodar Mangalji & Co. Ltd.	90000	0.08%	-	90000	0.08%
9	S. Kantilal & Co. Ltd.	90000	0.08%	-	90000	0.08%
10	Shantilal Khushaldas & Brothers Pvt. Ltd.	90000	0.08%	-	90000	0.08%

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	Name of the Director and KMP	Shareholding at the beginning of the year as on 01.04.2017		Cumulative shareholding at end of the year (as on 31.03.2018)	
	For Each of the Directors and KMP	No. of shares of Rs.5/- each	% of total shares of the company	No. of shares of Rs.5/- each	% of total shares of the company
1	2	3	4	5	6
i.	Shrihari Pai Raikar, Director (Operation)	40	Insignificant	40	Insignificant
ii.	S.V. Adhia Company Secretary (upto 31.08.2017)	900	0.0008%	900	0.0008%

Note: No other Directors and KMP (other than the above) are holding any shares of the Company.

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial year				
(i) Principal Amount	0	0	0	0
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	0	0	0	0
Total (i + ii + iii)	0	0	0	0
Change in Indebtedness during the Financial year				
• Addition	0	0	0	0
• Reduction	0	0	0	0
Net change	0	0	0	0
Indebtedness at the end of the Financial year				
(i) Principal Amount	0	0	0	0
(ii) Interest due but not paid	0	0	0	0
(iii) Interest, accrued but not due	0	0	0	0
Total (i + ii + iii)	**0**	**0**	**0**	**0**



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(Rs In Lakhs)

Sl No.	Particulars of Remuneration	Name of MD / WTD / Manager				Total amount
		RAdm Shekhar Mital (Retd)	Shri Shrihari Pai Raikar	Shri T.N. Sudhakar	Cmde. B.B. Nagpal, (Retd)	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	67.69	53.81	47.49	50.68	219.67
	(b) Value of perquisites u/s 17(2) of the Income Tax Act,1961	4.24	0	0	0	4.24
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0	0
2.	Stock Option	0	0	0	0	0
3.	Sweat Equity	0	0	0	0	0
4.	Commission					
	- as % of profit	0	0	0	0	0
	- others specify….	0	0	0	0	0
5.	Others, please specify (Contribution to PF)	3.18	2.78	2.60	3.03	11.59
	Total (A)	**75.11***	**56.59***	**50.09***	**53.71***	**235.50***
	Ceiling as per the Act	Being a Govt. Company, exempted from Section 197 of Companies Act, 2013.				

*Including Pay Revision arrears.

B. Remuneration to other Directors:

(Rs In Lakhs)

Sl. No.	Particulars of Remuneration	Name of Director		Total amount
		Shri Ashok Nayak (Upto 22.07.2017)	Shri K. Mohandas	
1.	**Independent Directors**			
	Fee for attending Board / committee meetings	1.30	2.65	**3.95**
	Commission	0	0	**0**
	Others, please specify	0	0	**0**
	Total (1)	**1.30**	**2.65**	**3.95**
2.	**Other Non-Executive Directors**			
	Fee for attending Board / committee meetings	0	0	**0**
	Commission	0	0	**0**
	Others, please specify	0	0	**0**
	Total (2)	0	0	**0**
	Total (B) = (1+2)	**1.30**	**2.65**	**3.95**
	Total Managerial Remuneration			
	Overall Ceiling as per the Act	Being a Govt. Company, exempted from Section 197 of Companies Act, 2013.		



C. Remuneration to Key Managerial Personnel other than MD / MANAGER / WTD

(Rs. in Lakh)

Sl.No.	Particulars of Remuneration	Key Managerial Personnel		Total
		S.V. Adhia, CS (Upto 31.08.2017)	Mrs. Chhaya Jain, CS (From 01.09.2017)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	49.74	8.59	58.33
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission			0
	- as % of profit	0	0	0
	- others specify….	0	0	0
5.	Others, please specify (Contribution to PF)	1.23	0.68	1.91
	Total	**50.97***	**9.27**	**60.24**

* Includes payment of Gratuity and Leave encashment.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	---------- NIL ----------				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	---------- NIL ----------				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	---------- NIL ----------				
Punishment					
Compounding					



ANNEXURE `G' TO DIRECTORS REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018

[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
Vasco Da Gama,
Goa - 403802.

I 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 me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Goa Shipyard Limited for the financial year ended on 31st March, 2018 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 Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

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

v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable to the Company during the audit period);

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (Not applicable to the Company during the audit period);

SECRETARIAL AUDIT REPORT

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the audit period);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the audit period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);

(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 (Not applicable to the Company during the audit period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).

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

i) Secretarial Standards issued by The Institute of Company Secretaries of India.

ii) Factories Act, 1948

iii) Payment of Wages Act, 1936 and other labour laws

iv) The Contract Labour (Regulation & Abolition) Act, 1970

v) Employees' State Insurance Act, 1948

vi) Employees' Provident Fund and Miscellaneous Provisions Act, 1952

vii) Payment of Gratuity Act, 1972

viii) Industrial Dispute Act, 1947

ix) Environment Protection Act, 1986 and other environmental laws

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

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

The Woman Director appointed by the Company's Administrative Ministry was relieved from her position with effect from 1st September, 2017. **From that date, therefore, the Company did not have a Woman Director as required by the second proviso to Section 149(1) and Rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014.** The Independent Director appointed by the Company's Administrative Ministry completed his term of office on 22nd July, 2017. **The vacancies of Independent Directors have not been filled by the Administrative Ministry of the Company.** Subject to the above observations, the Board of Directors of the Company is constituted with a reasonable balance of Executive Directors, Non-Executive Directors and Independent Directors.

I further report that as per the information and explanations provided by the Company:

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



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

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors recorded during the period under review.

In respect of formal annual evaluation of Board and Committees as required by Clause (p) of Section 134(3) and Rule 8(4) of Companies (Accounts) Rules, 2014, as per the information and explanations provided by the Company, all the Directors are appointed by the President of India through a selection process adopted by the Public Enterprises Selection Board (PESB)/DPE for a fixed tenure. The performance of Functional Directors is evaluated on an annual basis and also at the time of re-appointment, by the concerned Administrative Ministry. In view of the same and in terms of exemptions granted to Government Companies vide Notification dated 5th June, 2015 of Ministry of Corporate Affairs, the provisions with regard to evaluation of the Board are exempted to Goa Shipyard Limited, being a Government Company.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that 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) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.

(iv) Merger/amalgamation/reconstruction etc.

Francisco Dias
Company Secretary
FCS No: 2225
CP No: 3765

Place: Vasco Da Gama.
Dated: 17th May, 2018

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



SECRETARIAL AUDIT REPORT

'ANNEX A'

To,

The Members,
Goa Shipyard Limited
Vasco Da Gama,
Goa - 403802.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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 management. My examination was limited to the verification of procedures 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.

Francisco Dias
Company Secretary
FCS No: 2225
CP No: 3765

Place: Vasco Da Gama.
Dated: 17th May, 2018



Celebrating 1957 - 2017 60 Glorious Years

Visits of Dignitaries



Bangladesh Delegation - 22 Aug 2018


Egyptian Delegation - 05 Sep 2018


Hon'ble RRM Dr. Subhash Bhamre - 14 May 2017



H.E. Hamza Yahia Cherif, Ambassador of Algeria - 14 May 18


Visit of Admiral Tin Aung San, C-in-C Myanmar Navy - 31 Oct 17



DGP Dr Muktesh Chander, IPS for Vigilance Week - 03 Nov 2017


Hon'ble Consular General of Portuguese 21 Feb18


Visit Of Qatari Emiri Naval Forces - 26 Mar 18


Shri Barun Mitra, IAS Addl. Secretary - 01 Dec 17



Participant of Golden Globe Race, Cdr Abhilash Tomy, prior to adventure


Visit of Bangladesh Delegation - 12 Aug 2017


Visit of Russian Delegation - 14 Feb 18

Celebrating 1957 - 2017 60 Glorious Years

DEFEXPO 2018

MAKE IN INDIA



VAdm Girish Luthra, FOC INC West



VAdm G S Pabby, Chief of Material



MD of Bangladesh Shipyard Khulna
Cmde Anisur Rahman Mollah



DG Rajendra Singh, Director General Coast Guard



Commander of Kuwait Naval Force Maj. Gen Khaled Abdullah



Dr. Subhash Bhamre, Hon'ble Raksha Rajya Mantri



Thales Senior Executive VP - Miss Pascale S Sourisse



Damen Shipyard Delegation

TEN YEARS AT A GLANCE

(Rupees in Lakhs)

SI	FINANCIAL RESULTS	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
		1	2	3	4	5	6	7	8	9	10
A	**OPERATING RESULTS**										
1	Gross Revenue	145,246	110,236	80,452	68,077	55,252	56,422	72,288	102,739	95,478	58,712
2	Value of Production	134,267	103,020	72,596	56,955	50,890	50,662	67,643	99,032	86,648	50,801
3	Revenue from Operations	137,343	105,545	76,233	57,551	51,163	50,870	68,162	99,102	86,733	50,950
4	Operating Profit	25,151	13,054	6,851	1,525	(2,857)	(2,940)	8,629	22,842	11,022	4,849
5	Profit Before Tax and Exceptional Items	33,054	17,745	11,069	5,317	(6,279)	2,612	12,603	26,479	19,723	12,592
6	Provision forTax	11,321	6,005	4,841	(2,507)	(170)	1,062	4,327	8,866	6,651	4,396
7	Profit after Tax	21,733	11,740	6,229	7,824	(6,109)	1,550	8,276	17,613	13,072	8,196
8	Gross Margin (EBIDTA)	37,394	21,619	13,865	6,288	(2,510)	6,853	15,937	27,861	21,301	14,086
9	Gross Profit (EBIT)	33,133	17,924	11,175	5,390	(4,237)	5,036	14,309	27,010	20,831	13,657
10	Value Added	63,734	40,359	31,800	19,825	15,059	19,639	27,523	40,615	33,701	19,725
B	**FINANCIAL POSITIONS**										
1	Equity Share Capital	5,820	5,820	2,910	2,910	2,910	2,910	2,910	2,910	2,910	2,910
2	Reserve & Surplus	85,090	75,440	65,776	59,011	55,527	61,143	60,273	54,001	40,528	30,511
3	Borrowings	-	-	-	2,377	2,659	1,728	1,129	1,175	1,220	1,265
4	Property, Plant and Equipment (Gross Block)	88,780	86,741	57,785	15,710	44,184	43,920	42,057	41,648	11,908	10,935
5	Property, Plant and Equipment (Net Block)	64,429	65,650	40,116	6,890	32,428	33,802	33,741	34,940	5,963	5,439
6	Capital Work in Progress	17,221	7,403	23,321	14,304	10,423	1,348	7,242	1,088	15,739	6,865
7	Capital Employed	131,065	117,617	110,775	64,298	61,096	65,781	64,312	58,086	44,658	34,686
8	Net Worth	90,867	81,218	68,643	61,921	58,437	64,053	63,184	56,911	43,438	33,421
C	**RATIOS & OTHER FINANCIAL INFORMATIONS**										
1	Profit after tax : Net Worth	23.92	14.46	9.07	12.64	(10.45)	2.42	13.10	30.95	30.09	24.52
2	EBDITA Margin (%)	25.75	19.61	17.23	9.24	(4.54)	12.15	22.05	27.12	22.31	23.99
3	Return on Average Net Worth (RONW) (%)	25.26	15.67	9.54	13.00	(9.97)	2.44	13.78	35.10	34.02	27.06
4	Return on Average Capital Employed (ROCE) (%)	24.89	15.44	12.77	8.60	(6.68)	7.74	23.38	52.58	52.51	41.81
5	Face Value per share (Fully paid up) (Rs.)	5	5	10	10	10	10	10	10	10	10
6	Dividend per share (%)	215%	70%	64%	54%	-	20%	59%	122%	90%	57%
7	Dividend Payout (Rs. In lakh)	12,513	4,074	1,862	1,571	-	582	1,717	3,550	2,620	1,659
8	Value Added per employee (Rs. In lakh)	38.79	24.39	19.81	12.64	9.75	12.26	17.16	24.36	19.81	12.18
9	Number of employees (Nos)	1,643	1,655	1,605	1,568	1,545	1,602	1,604	1,667	1,701	1,620



In last 4 years since FY 14, GSL has registered cumulative growth of 163% in VoP & 968% in Operating Profit - Highest in Shipbuilding History

Celebrating 60 Glorious Years 1957 - 2017

INDEPENDENT AUDITOR'S REPORT

To

The Members of Goa Shipyard Limited

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **Goa Shipyard Limited ("*the Company*")** which comprise the Balance Sheet as at March 31, 2018, 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.

Management's responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the order issued under Section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Sec 143(10) of the Act. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone financial statements that give a true



and fair view in order to design audit procedures that are appropriate in circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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, 2018 and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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, Statement of changes in equity and the Statements of Cash Flows dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
   e) Since the company is Central Public-Sector undertaking, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
      ii. The Company has made provision, as required under applicable law and accounting standards for material foreseeable losses, if any, on long term contracts including derivative contracts.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 **abm & associates LLP**
Chartered Accountants
Firm Registration Number : 105016W

Sagar G. Teli
Partner
Membership No : 138620

Place : Porvorim
Date : June 30, 2018



Annexure A to the Independent Auditor's Report

(Referred to in Paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Goa Shipyard Limited of even date)

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

We have audited the internal financial controls over financial reporting of **GOA SHIPYARD LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for



external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that,

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and Directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **abm & associates LLP**
Chartered Accountants
Firm Registration Number.: 105016W

Sagar G. Teli
Partner
Membership No. : 138620

Place: Porvorim
Date: June 30, 2018



Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements'section of our report to the members of Goa Shipyard Limited of even date)

i. a. The company has maintained proper records for the fixed assets acquired by it showing full particulars, including quantitative details and situation of fixed assets.

b. The company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company. However, in respect of immovable properties taken on lease refer our comment in Annexure C.

ii. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

iii. According to information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLP) or other parties covered in the register-maintained u/s 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a), 3 (iii) (b) and 3 (iii) (c) of the order not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loan, nor made any investments or not provided guarantees and securities within purview of Section 185 of the Act. Further, provisions of Section 186 of the Act are not applicable to the company as per Notification No. G.S.R. 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs.

v. Based on our scrutiny of company's records and according to the information and explanations provided by the management, in our opinion the Company has not accepted any deposits and therefore, the provisions of the clause 3(v) of the order are not applicable to the company.

vi. On the basis of records produced to us, we are of the opinion that prima facie the cost records prescribed by the Central Government of India under sub-section (1) of Section 148 of the Companies Act, 2013 have been maintained. We have broadly reviewed the records and have not carried out any detailed examination of such accounts and records.

vii. a. According to the information and explanation given to us and on the basis of our examination of books of accounts, the company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with appropriate authorities during the year.

b. According to the information and explanation given to us no undisputed statutory dues payables were in arrears as on the last day of the financial year concerned, for a period of more than six months from the date on which they become payable.



c. According to the information and explanations given to us, there are no statutory dues which have not been deposited on account of any dispute.

viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government. The company has not issued any debentures.

ix. The Company has not raise moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the order is not applicable to the company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the company or no material fraud on the company by its officers or employees has been noticed or reported during the year.

xi. According to the information and explanations given to us and in our opinion, 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.

xii. The company is not a Nidhi Company and hence, reporting under Clause 3(xii) of the Order do not apply to the company.

xiii. In our opinion and according to the information and explanations given to us, the company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with related parties and details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. During the year, the company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence, reporting under Clause 3(xiv) of the order is not applicable to the company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For **abm & associates LLP**
Chartered Accountants
Firm Registration Number.: 105016W

Sagar G. Teli
Partner
Membership No. : 138620

Place: Porvorim
Date: June 30, 2018



Annexure C to the Independent Auditor's Report

(Referred to in paragraph 3 under "Report on Other Legal and Regulatory Requirements" of, 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, 2018 issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013.

Sr. No.	Areas Examined	Observation/Finding
1.	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state, the area offreehold and leasehold land for which title/lease deeds are not available.	Based on our examination of the records of the Company, the title deeds and lease deeds of immovable properties are held in the name of the Company, except for the following two cases : 1. In the case of company godown at Sada, Vasco Goa (Land Details: Part 2 of PT Sheet No. 52), having land area 10775 Sq. mtrs, lease deed is yet to be executed. The company took possession of land in September 1981, on the basis of Memorandum No. RB/CTN-2/107/72/625 dated 19/08/1981 executed with the Government. 2. In the case of Company's Unit II at Sancoale Industrial Estate, Goa (GIDC Plot No. 8 & 9), having land area of 2240 Sq. mtr lease deed was expired in the year 2014 and renewal is in process.
2.	Whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	During the financial year under audit, company has refunded liquidated damages, deducted in earlier years amounting to Rs. 46.12 Lakhs, since, liquidated damages , were not attributable to supplier.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Government or other authorities.	In our opinion and according to information provided by the Company all the records regarding inventories lying with third parties and Assets funded by Customer are maintained properly. There are no assets received as gift(s) from Government or other authorities.

For **abm & associates LLP**
Chartered Accountants
Firm Registration Number.: 105016W

Sagar G. Teli
Partner
Membership No. : 138620

Place: Porvorim
Date: June 30, 2018



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

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 2018.

The Preparation of financial statements of **Goa Shipyard Limited, Goa** for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 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 30 June 2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of **Goa Shipyard Limited, Goa** for the year ended 31 March 2018. 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 audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on the behalf of the
Comptroller & Auditor General of India

25/07/2018

(Santosh Kumar, IA & AS)
Pr. Director of Commercial Audit
and Ex-Officio Member, Audit Board,
Bangalore

Place: Bangalore
Date: 25 July 2018.



BALANCE SHEET

BALANCE SHEET AS AT 31ST MARCH 2018

	Particulars	Note	As at 31-03-2018	As at 31-03-2017
			Rupees in Lakhs	Rupees in Lakhs
I	**ASSETS**			
(1)	**Non-current Assets**			
(a)	Property, Plant and Equipment	2.1	64,366.66	65,597.91
(b)	Intangible Assets	2.1	62.15	52.50
(c)	Capital Work-in-Progress	2.2	17,220.67	7,402.51
(d)	Financial Assets:			
(i)	Long-term Loans and Advances	2.3	359.63	243.94
(ii)	Other Financial Assets	2.4	8,497.80	16,242.80
(e)	Deferred Tax Assets (Net)	2.19	-	-
(f)	Other Non-current Assets	2.5	4,739.02	3,875.85
	Total - Non-current Assets		**95,245.93**	**93,415.51**
(2)	**Current Assets**			
(a)	Inventories	2.6	10,738.47	47,022.57
(b)	Financial Assets:			
(i)	Trade Receivables	2.7	30,654.28	10,947.63
(ii)	Cash and Cash Equivalents	2.8	82,737.13	50,364.72
(iii)	Other Bank Balances	2.9	-	-
(iv)	Short-term Loans and Advances	2.10	4,279.32	10,146.71
(v)	Other Financial Assets	2.11	5,379.07	4,644.54
(c)	Current Tax Assets (Net)	2.12	1,392.73	4,705.26
(d)	Other Current Assets	2.13	1,975.75	379.04
	Total - Current Assets		**137,156.75**	**128,210.47**
	TOTAL		**232,402.68**	**221,625.98**
II.	**EQUITY AND LIABILITIES**			
(1)	**Shareholder's Fund**			
(a)	Share Capital	2.14	5,820.19	5,820.19
(b)	Other Equity	2.15	85,089.75	75,440.45
			90,909.94	**81,260.64**
(2)	**Share application money pending allotment**		-	-
(3)	**Non-current Liabilities**			
(a)	Financial Liabilities			
(i)	Trade Payables	2.16	-	-
(ii)	Other Financial Liabilities	2.17	823.88	58.79
(b)	Long-term Provisions	2.18	2,120.69	2,266.10
(c)	Deferred Tax Liabilities (Net)	2.19	544.96	1,273.95
(d)	Other non-current Liabilities	2.20	53,886.38	40,160.15
	Total - Non-current Liabilities		**57,375.91**	**43,758.99**
(4)	**Current Liabilities**			
(a)	Financial Liabilities			
(i)	Trade and other payables	2.21	4,619.75	3,651.78
(ii)	Other Financial Liabilities	2.22	26,415.15	25,299.70
(b)	Other Current Liabilities	2.23	45,703.93	64,509.43
(c)	Short-term Provisions	2.24	7,378.00	3,145.44
	Total - Current Liabilities		**84,116.83**	**96,606.35**
	TOTAL		**232,402.68**	**221,625.98**
SIGNIFICANT ACCOUNTING POLICIES (1) AND NOTES TO ACCOUNTS (2.1) to (2.45) FORM PART OF ACCOUNTS				

As per Our Report of Even Date Attached
For **ABM & Associates LLP**
Chartered Accountants
(FRN 105016W)

Sagar Teli
Partner
M.No. 138620

Place : Porvorim, Goa
Date : 30/06/2018

RAdm. Shekhar Mital, NM (Retd.)
Chairman & Managing Director

Chhaya Jain
Company Secretary

T. N. Sudhakar
Director (Finance)

Place: Vasco da Gama, Goa
Date : 28/06/2018



STATEMENT OF PROFIT AND LOSS

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2018

	Particulars	Note	For the year ended 31-03-2018	For the year ended 31-03-2017
			Rupees in Lakhs	Rupees in Lakhs
I	**INCOME:**			
	Revenue from Operations:			
	i. Turnover (Value of Production)	2.25	134,266.91	103,019.75
	ii. Other Operating Revenue	2.25	3,075.97	2,524.94
			137,342.88	105,544.69
	Other Income	2.26	7,902.84	4,691.63
	Total Revenue		**145,245.72**	**110,236.32**
II	**EXPENSES:**			
	Cost of Materials Consumed	2.27	58,567.78	51,120.69
	Employees Benefit Expenses	2.28	20,001.40	15,498.56
	Sub-Contract		11,965.47	11,539.83
	Direct Expenses		6,613.16	2,812.22
	Finance Costs	2.29	78.87	179.21
	Depreciation	2.1	4,260.64	3,694.71
	Other Expenses	2.30	7,518.70	6,319.97
	Corporate Social Responsibility Expenditure	2.31	288.30	346.08
	Provisions	2.32	2,897.31	979.91
	Total Expenses		**112,191.63**	**92,491.18**
III	**Profit before Tax (I - II)**		**33,054.09**	**17,745.14**
IV	**Tax Expense:**	2.33		
	(i) Current tax		12,050.00	4,900.00
	(ii) Prior tax adjustment		-	69.11
	(iii) Deferred tax		(729.00)	1,035.57
	Total Tax Expenses		**11,321.00**	**6,004.68**
V	**Profit for the period (III - IV)**		**21,733.09**	**11,740.46**
VI	**Other Comprehensive Income**			
	A. Items that will not be reclassified to profit or loss			
	Remeasurements of post employment benefit obligations		(175.22)	75.99
	B. Items that will be reclassified to profit or loss		-	-
VII	**Other Comprehensive Income for the period**		**(175.22)**	**75.99**
VIII	**Total Comprehensive Income for the period (V+VII) (Comprising Profit and Other Comprehensive Income for the period)**		**21,557.87**	11,816.45
IX	**Earnings per equity share:**	2.34		
	(1) Basic Earnings per Equity Share (Rs.)		18.52	10.15
	(2) Diluted Earnings per Equity Share (Rs.)		18.52	10.15
	SIGNIFICANT ACCOUNTING POLICIES (1) AND NOTES TO ACCOUNTS (2.1) to (2.45) FORM PART OF ACCOUNTS			

As per Our Report of Even Date Attached
For **ABM & Associates LLP**
Chartered Accountants
(FRN 105016W)

Sagar Teli
Partner
M.No. 138620

Place : Porvorim, Goa
Date : 30/06/2018

RAdm. Shekhar Mital, NM (Retd.)
Chairman & Managing Director

Chhaya Jain
Company Secretary

T. N. Sudhakar
Director (Finance)

Place: Vasco da Gama, Goa
Date : 28/06/2018



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

	Particulars	For the year ended 31-03-2018		For the year ended 31-03-2017	
		Rupees in Lakhs		Rupees in Lakhs	
I	**CASH FLOW FROM OPERATING ACTIVITIES:**				
A	**Net Profit/(Loss) before tax as per Statement of Profit & Loss Account**		33,054.09		17,745.14
	Adjusted for:				
	Loss on Sale/Discard of Assets (Net)	-		-	
	Depreciation and Amortisation Expense	3,260.57		3,421.40	
	Interest Income (Contra)	(6,184.58)		(3,915.00)	
	Corporate Social Responsibility Reserve	-		-	
	Finance Costs	78.87		179.21	
	Hedge Reserve Account	-		-	
	Recognition of fair value on Deferred Debt	-		0.21	
	Unwinding of grant income	(2,169.29)	(5,014.43)	(1,929.15)	(2,243.33)
B	**Operating Profit/(Loss) before Working Capital Changes**		**28,039.66**		**15,501.81**
	Adjusted for:				
	Other Current Assets	6,848.68		(615.38)	
	Trade Receivables	(19,706.65)		12,837.81	
	Inventories	36,284.10		15,108.90	
	Trade and Other Payables	(16,722.08)		16,232.47	
	Other Liabilities	16,660.61		10.21	
	Long-term Loans and Advances	5,266.14		(16,805.27)	
	Provisions	3,911.93	32,542.73	583.57	27,352.31
C	**Cash Generated from Operations**		**60,582.39**		**42,854.12**
	Net Prior Year Adjustments	-		-	
	Taxes Paid	(12,050.00)	(12,050.00)	(4,969.11)	(4,969.11)
D	**Net Cash (used in)/from Operating Activities**		**48,532.39**		**37,885.01**
II	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of Fixed Assets	(3,052.69)		(29,352.10)	
	Sale/Adjustment of Fixed Assets	1,013.73		396.15	
	Capital Work in Progress	(9,818.16)		15,918.11	
	Amount received against ICD	1,500.00		875.00	
	Interest Income (Contra)	6,184.58	(4,172.54)	3,915.00	(8,247.84)
	Net Cash (used in)/from Investing Activities		(4,172.54)		(8,247.84)
III	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Short Term Borrowings	-		-	
	Refund of Margin Money	-		500.00	
	Dividends Paid (including Dividend Distribution Tax)	(11,908.57)		(2,241.61)	
	Interest Paid	(78.87)		(179.21)	
	Net Cash (used in)/from Financing Activities		(11,987.44)		(1,920.82)
IV	**Net Increase/(Decrease) in Cash and Cash Equivalents**		**32,372.41**		**27,716.35**
V	**Opening Balance of Cash and Cash Equivalents**		**50,364.72**		**22,648.37**
VI	**Closing Balance of Cash and Cash Equivalents**		**82,737.13**		**50,364.72**

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2018

A. EQUITY SHARE CAPITAL

(Rupees In Lakhs)

Sl No	Particulars	2017-18	2016-17
i	Balance at the beginning of the reporting period	5820.19	2910.09
ii	Changes in equity share capital during the year	-	2910.10
iii	Balance at the end of the reporting period	**5820.19**	**5820.19**

B. OTHER EQUITY

	Particulars	Reserves and Surplus						Effective portion of Cash Flow Hedges	Total
		Capital Reserve	General Reserve	Retained Earnings	CSR Reserve	Capital Redemption Reserve	Debenture Redemption Reserve		
I	**Balance as at 01 April, 2017**	**42.86**	**74,990.57**	**407.02**	**-**	**-**	**-**	**-**	**75,440.45**
a	Changes in accounting policy or prior period errors			-					-
II	**Restated balance at the beginning of the reporting period**	**42.86**	**74,990.57**	**407.02**	**-**	**-**	**-**	**-**	**75,440.45**
a	Total comprehensive income for the Period		-	21,557.87	-				21,557.87
b	Dividends (including taxes)		-	(11,908.57)					(11,908.57)
c	Transfer from retained earnings	-	-						-
d	Transfer from General Reserve *	**-**	**(4,903.53)**	**4,903.53**					
e	Amount paid/utilised during the Period	-	-	-	-			-	-
f	Amortisation of premium	-	-	-					-
III	**Balance as at 31.03.2018**	**42.86**	**70,087.04**	**14,959.85**	**-**	**-**	**-**	**-**	**85,089.75**

*** Dividend for FY 2016-17**

The Company at its Annual General Meeting held on 26th September 2017 for the FY 2016-17 approved payment of Dividend to the Equity Shareholders @ 70% per share of Rs 5/- each which amounted to Rs 4074.13 Lakhs post Stock split and issue of Bonus Share in the ratio of 1:1. The total Dividend for the FY 2016-17 plus Dividend Distribution Tax of Rs 829.40 Lakhs, amounted to Rs 4903.53 Lakhs. Accordingly equivalent amount has been transferred from General Reserve to Retained Earnings of Profit & Loss Account for set off. Further during FY 2017-18, the Company declared and paid interim dividend of Rs 5820.19 Lakhs at the rate of Rs 5/- per equity share plus Dividend Distribution Tax of Rs 1184.85 Lakhs in the month of February, 2018.

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Director (Finance)

Place: Vasco da Gama, Goa
Date : 28/06/2018

SIGNIFICANT ACCOUNTING POLICIES

1 CORPORATE INFORMATION

The Company is a Government company domiciled in India and is 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).

For all periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with Indian GAAP, including Accounting Standards notified under the Companies (Accounting Standards) Rules 2006 (as amended). The Financial Statements for the year ended 31st March 2017 are the first financial statements prepared by the Company in accordance with Ind AS.

3 CURRENT / NON CURRENT CLASSIFICATION

i. **The assets and liabilities in the Balance Sheet are based on current/non-current classification. An assets is current when it is:**

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting, or
4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

   All other assets are classified as non-current.

ii. **A liability is current when it is:**

1. Expected to be settled in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Due to be settled within twelve months after the reporting, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

iii. All other liabilities are classified as non-current.

iv. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

v. **Operating Cycle:**

(a) 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. As the build period of the ships depend upon the size/technical specification of each individual ship, defining an uniform Operating Cycle is not feasible.

(b) In case of 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 and 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.

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 is 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, taking into account the nature of the asset, estimated usage and 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 and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government 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 is carried forwarded 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 and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.



v. **Discounting of long-term financial liabilities:**

All financial liabilities are measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest 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. At the inception or on reassessment 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 for a finance lease and 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 incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

vii. **Revenue Recognition:**

Determination of estimated cost to complete the contract is required for computing revenue as per Ind - AS 11 on 'Construction Contracts'. The estimates are revised periodically.

5 PROPERTY, PLANT AND EQUIPMENT (PPE)

Measurement at recognition:

a 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.

b 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.

c 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. Freehold land is carried at historical cost.

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

(a) 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.

(b) Property, plant and equipment acquired with financial assistance from Indian Navy/ Government are stated at cost and are depreciated over the life of the asset and the financial assistance received is treated as government assistance.

(c) 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".

(d) 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 Companies Act, 2013.

(e) Any additions to Property, Plant and Equipment during the year valuing Rs. 5000/- or less have been fully depreciated and charged to profit & loss.

7 INTANGIBLE ASSETS

Intangible assets acquired separately are measured at cost on initial recognition cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Software cost is capitalized where it is expected to provide future enduring economic benefits and amortised 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 licence 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 recognised 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 ASSETS

The Company reviews property, plant and equipment and other 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 recognised as income in Statement of Profit and Loss on a systematic basis over the periods in which the expenses related to costs for which the grants are intended to compensate are recognized as expenditure.

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 recognised in profit or 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 profit and loss on a straight-line basis over the expected lives of the related assets and presented under the head other income.

10 LEASES

Finance leases of Property, plant and equipment (including land) procured by the company are capitalized at the inception of lease at the fair value of the leased property and in the case of material lease arrangements, at the present value of the minimum lease payments, if lower than the fair value. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the financial liability and finance cost. The finance cost is charged to Statement of Profit & Loss over the lease period.

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 capitalised 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 the lower of cost and net realisable value. The cost is determined as under:

(a) Raw materials, Stores and general spare parts are valued at weighted average cost.

(b) Equipment for specific projects is valued at cost.

(c) Scrap held at the end of each accounting period is valued at net realizable value.

(d) Stores in transit is valued at cost.

(e) 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.



13 WORK-IN-PROGRESS

(a) **Shipbuilding Contract:** Ships under construction under long term contracts which extend for more than one year, where Profit can be reliably measured are valued in the following manner:

At costs incurred up to the reporting date plus profits recognized under percentage completion method in proportion to the actual costs incurred bear to the estimated total cost to completion as on that date.

(b) **"Other" Contracts:**

i) **Short production cycle items:**

Work done against short term contracts which may extend upto 12 months or against orders for Repair Services, is valued at cost or realizable value, whichever is lower. Profit, if any, is reckoned in the year in which the sale takes place.

ii) **Loss on the contract:**

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.

iii) **Materials with contractors:**

Materials, if any, held by the contractors for processing are treated as part of work-in-progress.

14 FINANCIAL ASSETS

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

Financial assets 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

a. **Trade Receivables**

(i) Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment wherever applicable.

(ii) 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 and accordingly 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.



(iii) Full provision is made for all debts considered doubtful of recovery having regard to the following considerations:

(a) Time barred debts from the Government / Government Departments / Government Companies are generally not treated as doubtful debts.

(b) 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.

b. **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 & 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.

c. **Cash and Cash Equivalent**

For the purpose of presentation in the statement of cash flow, cash and cash equivalents includes cash on 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

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 recognised initially at fair value and, in the case of loans and 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 profit or loss when the liabilities are derecognised as well as through the amortisation of effective interest.

16 REVENUE RECOGNITION

Revenue is recognized based on nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.

A. **Revenue from Operation:**

a. Sales and services are reflected in the accounts of the year in which the deliveries are made to the customer and includes adjustments made towards price variation, wherever applicable.



Escalation and other claims, which are not ascertainable/acknowledged by customers, are not taken into account.

b. Where the contract prices are not finalized, sales are accounted for on the basis of provisional prices.

c. Additional revenue, in respect of contracts completed in earlier years, is accounted for as Sales for the year in which such revenue materializes.

d. Revenue from sale of traded goods (Spares) is recognised when the substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract.

e. **Revenue from Shipbuilding activity:**

I) **Fixed Price Contracts:**

(i) When the outcome of a construction contract can be estimated reliably, revenue from projects are recognised under the ''Percentage of completion method'' (POC) based on percentage of costs incurred to date compared to total estimated contract costs plus proportionate profit. The estimated cost of each contract is determined based on management estimate of cost to be incurred till final completion of the vessel and includes cost of material, services and other related overheads. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

(ii) An expected loss on the contract is recognised as expenses immediately.

(iii) Additional revenue, in respect of contracts completed in earlier years, is accounted for as sales in the year in which such revenue materializes.

II) **Cost plus contracts:** In case of Cost plus contracts, contract revenue is recognized on the basis of cost incurred plus profit margin applicable on the contract.

f) **Ship Repair Activity:**

In the case of ship repair, the revenues are computed as under

(i) Work done against contract extending upto 12 months is recognized at cost or realisable value, wherever is lower. Profit, if any is recognized in the year in which the work is completed.

(ii) For contract extending beyond 12 months the revenue is recognised as per accounting policy for Construction contract.

g) Additional revenue, in respect of contracts completed in earlier years, is accounted for as contract revenue in the year in which such revenue materializes.

h) Credit notes issued to Customers are treated as reduction of sales for the year in which they are issued.

i) Sales Tax, Works Contract Tax, Service Tax, GST collected / receivable from Customers is not treated as part of company's trading receipts.

j) Values 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.



B. **Other Operating revenue**

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

C. **Other Income**

i. Interest income is accrued at applicable interest rate.

ii. Other items of income are accounted as and when the right to receive arises.

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 Profit and Loss Account. 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.

(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 Life Insurance Company/Companies as decided by the Trustees.

(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 by the company, the annual premium of which is met by the company and charged to revenue.

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.

(ii) Leave encashment: Liability in respect of unavailed earned leave 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. This cost 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 recognised immediately in Statement of Profit and Loss as past service cost. Remeasurement gains and losses arising from changes in actuarial assumptions and experience adjustments are recognised in the period in which they occur, directly in other comprehensive income.



18 PRIOR PERIOD ADJUSTMENT/RECLASSIFICATION

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 of the entity 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 derivates 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 profit or 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 "Other unallocable expenditure net of unallocable income". Assets and liabilities of the company are used jointly by all the segments. Accordingly, there is no segment-wise bifurcation of assets and liabilities.

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.

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

a. **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.

b. **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.

c. 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. Deferred Income Tax is also not accounted for 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).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.

d. 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 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 TO ACCOUNTS FOR THE YEAR ENDED 31-03-2018

NOTES ON BALANCE SHEET ITEMS

2.1 Property, Plant & Equipment

(Rupees In Lakhs)

	Particulars of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01-04-2017	Additions during the Period	Deductions/ adjustments	As at 31-03-2018	As at 01-04-2017	Depreciation for the period	Deductions/ adjustments	As at 31-03-2018	As at 31-03-2018	As at 31-03-2017
A	**PROPERTY, PLANT & EQUIPMENT**										
	Freehold Land	143.15	-	-	143.15	-	-	-	-	143.15	143.15
	Buildings & Other Civil Constructions	49,736.40	811.38	167.14	50,380.64	5,550.99	1,678.73	154.98	7,074.74	43,305.90	44,185.41
	Plant & Machinery	31,314.20	1,906.76	629.37	32,591.59	11,525.24	2,154.05	628.02	13,051.27	19,540.32	19,788.96
	Capital Dredging	1,174.49	94.56	-	1,269.05	500.37	88.10	-	588.47	680.58	674.12
	Slipways	185.35	-	41.87	143.48	185.35	-	41.87	143.48	-	-
	Fitting out Jetty	165.96	-	165.96	-	165.96	-	165.96	-	-	-
	Furniture & Fittings	925.17	43.17	9.39	958.95	704.48	54.22	9.24	749.46	209.49	220.69
	Office Equipment	225.18	20.83	-	246.01	169.38	20.73	-	190.11	55.90	55.80
	Medical Equipment	15.85	3.95	-	19.80	0.78	2.02	-	2.80	17.00	15.07
	Computers	1,193.81	5.61	-	1,199.42	1,099.56	70.69	-	1,170.25	29.17	94.25
	Server & Network	9.19	7.43	-	16.62	0.92	1.43	-	2.35	14.27	8.26
	Motor Cars & Vehicles	214.31	-	-	214.31	166.74	17.51	-	184.25	30.06	47.57
	Steam Launches & Boats	799.96	-	-	799.96	667.19	40.24	-	707.43	92.53	132.77
	Total	**86,103.02**	**2,893.69**	**1,013.73**	**87,982.98**	**20,736.96**	**4,127.72**	**1,000.07**	**23,864.61**	**64,118.37**	**65,366.05**
B	**R & D ASSETS**										
	R & D Assets	423.45	126.60	-	550.05	191.59	110.17	-	301.76	248.29	231.86
	Total R&D Assets	**423.45**	**126.60**	**-**	**550.05**	**191.59**	**110.17**	**-**	**301.76**	**248.29**	**231.86**
	TOTAL (A+B)	**86,526.47**	**3,020.29**	**1,013.73**	**88,533.03**	**20,928.55**	**4,237.89**	**1,000.07**	**24,166.37**	**64,366.66**	**65,597.91**
	Previous Year	57,611.82	29,310.80	396.15	86,526.47	17,522.57	3,747.07	341.08	20,928.56	65,597.91	40,081.00
C	**INTANGIBLE ASSETS**										
	ERP Software	214.15	32.40	-	246.55	161.65	22.75	-	184.40	62.15	52.50
	Total Intangible Assets	**214.15**	**32.40**	-	**246.55**	**161.65**	**22.75**	-	**184.40**	**62.15**	**52.50**
	Previous Year	172.85	41.31	-	214.15	146.23	15.42	-	161.65	52.50	34.87
D	**ASSETS FUNDED BY CUSTOMER INCLUDED IN PPE ABOVE**										
	Buildings & Other Civil Construction	22,225.57	-	-	22,225.57	3,552.73	729.62	-	4,282.35	17,943.22	18,672.84
	Plant & Machinery	17,565.57	1,794.34	-	19,359.91	5,851.43	1,352.48	-	7,203.91	12,156.00	11,714.14
	Capital Dredging	1,107.13	-	-	1,107.13	435.68	87.19	-	522.87	584.26	671.45
	TOTAL	**40,898.27**	**1,794.34**	-	**42,692.61**	**9,839.84**	**2,169.29**	-	**12,009.13**	**30,683.48**	**31,058.43**
E	**Capital Work in Progress**	7,402.51	12,870.84	3,052.68	17,220.67	-	-	-	-	17,220.67	7,402.51
	Previous Year	23,320.62	13,433.98	29,352.09	7,402.51	-	-	-	-	7,402.51	23,320.62

NOTES ON BALANCE SHEET ITEMS

2.1.1 Pursuant to the enactment of the Companies Act, 2013, the Company has applied the estimated useful lives as specified in Schedule II of the Companies Act, 2013 for computing depreciation.

2.1.2 No borrowings were made during the year to fund any of the Capital expenditure.

2.1.3 Building include 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.

(Rupees In Lakhs)

2.2	CAPITAL WORK-IN-PROGRESS	As at 31-03-2018		As at 31-03-2017	
	Opening Balance	7,402.51		23,320.62	
	Add: Expenditure during the year	12,870.84		13,433.98	
		20,273.35		36,754.60	
	Less: Capitalisation/Adjustments during the year	3,052.68	17,220.67	29,352.09	7,402.51
			17,220.67		**7,402.51**

The Capital Work-in-Progress includes:

GSL Modernisation Programme presently in progress, was approved by the Government of India, with a total outlay of Rs.1400 Cr. out of which Rs. 880 Cr. will be met from Government Assistance and the balance Rs.520 Cr. from Internal Resources. The entire project is to be completed in four phases. As on the Reporting date, phases upto 3A have been completed and Phase 3B and Phase 4 are in progress against which an amount of Rs. 172.09 Cr. have been spent.

(Rupees In Lakhs)

2.3	LONG-TERM LOANS AND ADVANCES	As at 31-03-2018		As at 31-03-2017	
	1. Loans to Employees (Secured by way of mortgage/ hypothecation or by way of third party guarantee)	201.47		224.90	
	Less: Current maturities of Long Term Advances	36.23	165.24	130.92	93.98
	2. Loans to Employees (Unsecured and Considered good)	184.60		149.31	
	3. Unsecured and Considered doubtful	-		-	
		184.60		149.31	
	Less: Provision for doubtful loans	-		-	
		184.60		149.31	
	Less: Current maturities of Long Term Advances	16.50	168.10	25.69	123.62
	4. Security Deposit & EMD paid				
	Unsecured considered good	26.29		26.34	
	Unsecured considered doubtful	-		-	
		26.29		26.34	
	Less: Provision for doubtful deposit	-	26.29	-	26.34
	5. License and Tech doc fees 1241RE*	1,454.30		1,454.30	
	Less: Amount received included under Advances Received from Customers (Note No 2.23)	1,454.30	-	1,454.30	-
			359.63		**243.94**

*License and Tech 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.



NOTES ON BALANCE SHEET ITEMS

(Rupees In Lakhs)

2.4	OTHERS FINANCIAL ASSETS (NON CURRENT)	As at 31-03-2018		As at 31-03-2017	
	1. Term Deposits with Cement Corporation India Ltd. *	625.00		2,125.00	
	Less: Amount set aside from General Reserve towards possible impairment in value	-		-	
	Less: Amount receivable within 12 months included in Short Term Financial Assets (Note 2.11)	625.00	-	1,500.00	625.00
	2. Fixed Deposits with Banks (Maturity beyond 12 months) (Note 2.8)		8,494.00		15,614.00
	3. Other Receivable		3.80		3.80
			8,497.80		**16,242.80**

* Denotes the balance amount of Unsecured Inter Corporate Short term Deposits of Rs 3000 Lakhs (Original amount) made with Cement Corporation of India Limited (CCIL), a Central PSU under the Ministry of Industry, Department of Heavy Industry. The payment of interest and the repayment of principal was defaulted for a long period, now being realised under a mutually agreed agreement to accept the refund of Principal amount of Rs 3000 lakhs in 24 equal instalments of Rs 125 lakhs each. Entire interest due on the ICD was waived. CCIL has started repaying the ICD from Sept 2016. Till reporting date 19 installments amounting to Rs. 2375 Lakhs have been received.

2.5	OTHER NON-CURRENT ASSETS (Unsecured)	As at 31-03-2018		As at 31-03-2017	
	1. Deposits with Government Departments	1983.47		129.15	
	Less: Current Deposit with Govt. reclassfied	1481.75	501.72	129.15	-
	2. Other Deposits		6.89		8.07
	3. Balances with Central Excise and Customs etc.		-		-
	Unsecured considered good	4,182.88		3,839.84	
	Unsecured considered doubtful	-		-	
		4,182.88		3,839.84	
	Less: Provision for doubtful deposits	-	4,182.88	-	3,839.84
	4. Prepaid Rent	53.35		29.14	
	Less: Amount shown in current maturities	5.82	47.53	1.20	27.94
			4,739.02		**3,875.85**

2.6	INVENTORIES (as verified, valued & certified by Management)	As at 31-03-2018		As at 31-03-2017	
	1. Raw Materials, Stores & Spares				
	a) Stores in Hand	7,928.10		46,366.48	
	b) Stock in Transit	126.93	8,055.03	-	46,366.48
	2. Work-in-progress	17,957.56		78,540.26	
	Less: Amounts received from Customers (as per Contra-Note 2.23)	15,274.12	2,683.44	77,884.17	656.09
			10,738.47		**47,022.57**



NOTES ON BALANCE SHEET ITEMS

(Rupees In Lakhs)

2.7	TRADE RECEIVABLES (Current)	As at 31-03-2018		As at 31-03-2017	
	(Unsecured, Considered good unless otherwise specified)				
	Total Receivables				
	i) Considered good	30,654.28		10,947.63	
	ii) Considered doubtful	391.09		29.15	
		31,045.37		10,976.78	
	Less: Provision for allowance on expected credit loss	391.09	30,654.28	29.15	10,947.63
			30,654.28		**10,947.63**

2.8	CASH AND CASH EQUIVALENTS	As at 31-03-2018		As at 31-03-2017	
	1. Balances with Banks in current accounts		67.89		1,127.93
	2. Fixed Deposit with Banks	91,153.55		64,841.00	
	Less: Reclassified Maturity period less than three months	26,903.95	26,903.95	16,500.00	16,500.00
		64,249.60		48,341.00	
	Less: Reclassified Maturity period more than twelve months included in Other Financial Assets Note (2.4)	8,494.00	55,755.60	15,614.00	32,727.00
	3. In Imprest Account		9.69		9.79
			82,737.13		**50,364.72**

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.195991 in the year 1969-70 in respect of balance with Banco Nacional Ultramarino, Lisbon.

SBN Disclosures

	Particulars	As at 31-03-2018		As at 31-03-2017	
		SBNs		SBNs	
		Denomination	Amount	Denomination	Amount
	Closing Balance as at 8th November 2016			NIL	NIL
	Add : Withdrawal from Bank accounts	NIL	NIL	NIL	NIL
	Add : Receipts for permitted transactions	NIL	NIL	NIL	NIL
	Add : Receipts for non-permitted transactions (if any)	NIL	NIL	NIL	NIL
	Less : Paid for permitted transactions	NIL	NIL	NIL	NIL
	Less : Paid for non-permitted transactions (if any)	NIL	NIL	NIL	NIL
	Less : Deposited in bank accounts	NIL	NIL	NIL	NIL
	Closing balance as at 30th December 2016	NIL	NIL	NIL	NIL

2.9	OTHER BANK BALANCES	As at 31-03-2018		As at 31-03-2017	
	Fixed Deposits with Banks held as Margin Money		-		-
			-		-



NOTES ON BALANCE SHEET ITEMS

(Rupees In Lakhs)

2.10	SHORT-TERM LOANS AND ADVANCES	As at 31-03-2018		As at 31-03-2017	
	1. Loans to Employees - Current Maturity of Long Term Advances (Secured by way of mortgage/hypothecation or by way of third party guarantee)		36.23		130.92
	2. Current maturity of Loans to Employees (Unsecured)		16.50		25.69
	3. EMD paid (Unsecured and Considered good)		2.10		2.10
	4. Advance to Suppliers				
	- Secured considered good (Secured against Bank Guarantees)	2,365.07		135.96	
	- Unsecured considered good	1,859.42		9,852.04	
	- Unsecured considered doubtful	329.71		294.34	
		4,554.20		10,282.34	
	Less: Provision for doubtful advances	329.71		294.34	
		4,224.49	4,224.49	9,988.00	9,988.00
			4,279.32		**10,146.71**

2.11	OTHERS FINANCIAL ASSETS (Current)	As at 31-03-2018		As at 31-03-2017	
	1. Insurance Claim Receivables		-		406.00
	2. Interest accrued but not due		3,660.71		1,808.37
	3. Income accrued but not due		859.68		-
	4. Receivable from Navy (1241RE)		228.98		-
	5. Forward Contract				
	i) Recognised at FV through OCI	-		-	
	ii) Recognised at FV through Profit & Loss A/c	4.70	4.70	930.17	930.17
	6. Short Term Deposit with CCIL (Note 2.4)		625.00		1,500.00
			5,379.07		**4,644.54**

2.12	CURRENT TAX ASSETS (NET)	As at 31-03-2018		As at 31-03-2017	
	Advance Income Tax	23,690.64		14,953.17	
	Less: Provision for Income Tax	22,297.91	1,392.73	10,247.91	4,705.26
			1,392.73		**4,705.26**

2.13	OTHER CURRENT ASSETS (Considered good)	As at 31-03-2018		As at 31-03-2017	
	1. Deposits with Government Departments		1,481.75		129.15
	2. Prepaid Expenses		488.18		248.69
	3. Prepaid Rent		5.82		1.20
			1,975.75		**379.04**

NOTES ON BALANCE SHEET ITEMS

(Rupees In Lakhs)

2.14	SHARE CAPITAL	As at 31-03-2018		As at 31-03-2017	
	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**	**Number of Shares (in lakhs)**	**Amount**
	At the beginning of the year	1,164.04	5,820.19	291.01	2,910.09
	Conversion on account of Share Split	-	-	291.01	-
	Bonus Issue during 2016-17 in the ratio of 1:1	-	-	582.02	2,910.10
	Balance at the end of the period	**1,164.04**	**5,820.19**	**1,164.04**	**5,820.19**
	The Company in compliance of the guidelines issued by DIPAM have split Shares from Rs 10/- per Share to two Shares of Rs 5/- each and has issued Bonus Shares in the ratio of 1:1 during FY 2016-17.				
	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 Share of Rs 5/- each	47.21%	2,747.88	47.21%	2,747.88

The Company has only one class of share referred to as Equity Shares having a par value of Rs.5/- each.

2.15	OTHER EQUITY	As at 31-03-2018		As at 31-03-2017	
	1. Capital Reserve:				
	Balance as per last Balance Sheet		42.86		42.86
	2. Corporate Social Responsibility and Sustainable Development Reserve				
	Balance as per last Balance Sheet	-		-	
	Less: Amount Utilised during the period	-	-	-	-
	3. General Reserve:				
	Balance as per last Balance Sheet	74,990.57		64,100.66	
	Less: Issue of Bonus Share in the ratio 1:1	-		2,910.09	
	Add: Reinstatement of CCIL Deposit	-		3,000.00	
	Less : Transfer to Profit & Loss A/c for Payment of Dividend FY 2016-17	4,903.53			
	Add : Transfer from Surplus	-	70,087.04	10,800.00	74,990.57



NOTES ON BALANCE SHEET ITEMS

(Rupees In Lakhs)

	4. Hedge Reserve				
	As per last Balance Sheet-Gain/(Loss)	-		-	
	Add : Addition/(Withdrawal) during the period	-		-	
	Closing Balance-Gain/(Loss)	-	-	-	-
	5. Profit and Loss Account				
	Opening Balance	407.02		1,632.18	
	Add : Net Profit/(Loss) after Tax transferred from Statement of Profit & Loss	21,557.87		11,816.45	
	Add : Transfer from General Reserve	4,903.53		-	
		26,868.42		13,448.63	
	Less : Appropriations				
	Transfer to General Reserve	-		10,800.00	
	Dividend Payment on Equity Shares	9,894.32		1,862.46	
	Dividend Distribution Tax on Dividend	2,014.25		379.15	
		11,908.57		13,041.61	
	Closing Balance		14,959.85		407.02
	Total Reserve & Surplus		**85,089.75**		**75,440.45**

6. The Company at its Annual General Meeting held on 26th September 2017 for the FY 2016-17 approved payment of Dividend to the Equity Shareholders @ 70% per share of Rs 5/- each which works out to Rs 4074.13 lakhs post Stock split and issue of Bonus Share in the ratio of 1:1. Thus the total Dividend for the FY 2016-17 plus Dividend Distribution Tax of Rs 829.40 lakhs, amounts to Rs 4903.53 lakhs. Accordingly equivalent amount has been transferred from General Reserve to Retained Earnings of Profit & Loss Account for set off.

7. During FY 2017-18, the Company declared and paid interim dividend of Rs. 5820.19 lakhs at the rate of Rs. 5/- per equity share plus Dividend Distribution Tax of Rs 1184.85 lakhs in the month of February, 2018. In addition to interim dividend paid during FY 2017-18, the Board proposes Final Dividend @ 115% per share (Previous year 70%) which works out to Rs 6693.22 lakhs to the Equity Shareholders which will be paid after approval by the Shareholders in the Annual General Meeting. Thus total Dividend works out to Rs 15074.07 lakhs including Interim Dividend (Rs 5820.19 lakhs) and Dividend Distribution Tax of Rs 2560.66 lakhs for the year ended March 31st 2018 (Previous year Rs 4903.53 lakhs including Dividend Distribution Tax of Rs 829.40 lakhs).

8. **Disclosures of Hedge Reserve :**

   i. The company enters into foreign exchange derivatives contracts to offset the foreign currency risks arising from the amounts denominated in currencies other than Indian Rupee. The counter party to the company's foreign currency forward contracts is generally a bank. The company has designated all the outstanding Forward Exchange Contracts as Cash Flow Hedges. The changes in fair value of effective Forward Exchange contracts are recognized directly in the Reserve account designated as Hedge Reserve Account and the ineffective portion is recognized immediately in the Profit and Loss Account.

   ii. The company has the following outstanding effective derivative contracts, which have been designated as Cash Flow Hedges, as on 31st March 2018.



NOTES ON BALANCE SHEET ITEMS

(Rupees In Lakhs)

Particulars	As at 31-03-2018		As at 31-03-2017	
	Notional amount of contracts	Fair Value Gain/ (Loss)	Notional amount of contracts	Fair Value Gain/ (Loss)
Forward Contracts	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil

iii. The movement in Hedge Reserve for the period ended 31st March'2018 for derivatives designated as Cash Flow Hedges is as follows:

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Balance at the beginning of the year	Nil	Nil
Gains/(Losses) transferred to income statement on recognition of forecasted hedge transaction	Nil	Nil
Changes in the fair value of effective portion of outstanding cash flow derivatives	Nil	Nil
Net derivative Gains/(Losses) related to a discounted cash flow hedge	Nil	Nil
(Gains)/Losses transferred to profit and loss account on recognition of financial asset	Nil	Nil
Balance at the end of the Period	Nil	Nil

In addition to the above cash flow Hedges, the company has outstanding Foreign Exchange derivative contracts of firm commitment or highly probable forecast transactions and contracts with underlying transactions aggregrating to Rs.8529.15 lakhs as on 31.03.2018 (Previous Year Rs 12547.81 lakhs). The Fair value determination as on 31.03.2018 results in a Positive MTM of Rs 4.70 lakhs (Previous year profit of Rs 930.17 lakhs). Although these contracts are effective hedges from an economic perspective, they do not qualify for Hedge Accounting as per Ind AS -109 and accordingly these are considered as ineffective hedges and changes in fair value recorded in the Statement of Profit and Loss.

2.16	TRADE PAYABLE (NON CURRENT)	As at 31-03-2018		As at 31-03-2017	
	1. Deferred payment liability to a foreign supplier against supply of materials				
	Deferred Liabilities (From foreign suppliers against supply of material)*	1,345.59		1,345.99	
	Less: Amount shown in current maturities of Long Term Debts	237.57	1,108.02	237.57	1,108.42
	Less: Amount receivable from Navy/Indian Govt towards defered debts	1,345.59		1,345.99	
	Less: Amount shown in current maturities of Long Term Debts	237.57	1,108.02	237.57	1,108.42
			-		-

*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. The loan amount has been revalued at the present rate of SDR (announced by RBI), w.e.f. 16.11.2016 which is Rs 91.0858 for 1 SDR (Previous year Rs 91.0858 for 1 SDR).



NOTES ON BALANCE SHEET ITEMS

(Rupees In Lakhs)

2.17	OTHER FINANCIAL LIABILTIES	As at 31-03-2018		As at 31-03-2017	
	1. Security Deposit & Earnest Money Deposit	27.05		55.29	
	Less: Payable within 12 months (as per contra-2.22)	-	27.05	-	55.29
	2. Creditors for capital goods - Foreign supplier deferred credit	4.25		4.25	
	Less: Amount shown in current maturities of Long Term Debts (as per contra-2.22)	0.75	3.50	0.75	3.50
	3. Differential Interest Liability (Exim Bank)	1,139.72		-	
	Less: Amount shown in current maturities of Long Term Debts (as per contra-2.22)	346.39	793.33	-	-
			823.88		**58.79**

2.18	LONG-TERM PROVISIONS	As at 31-03-2018		As at 31-03-2017	
	1. Provision for Leave Salary Encashment	3,050.40		3,006.55	
	Less: Payable within 12 months (as per contra-2.24)	929.71	2,120.69	740.45	2,266.10
	2. Other Provisions		-		-
			2,120.69		**2,266.10**

2.19	DEFERRED TAX (NET)	As at 31-03-2018		As at 31-03-2017	
	1. Deferred Tax Assets				
	Provisions :				
	Provision for Doubtful Debts	135.35		10.09	
	Provision for Non-Recoverable Advances	114.11		101.87	
	Provision for Doubtful Employees Advances	-		-	
	Provision for Doubtful Deposits	-		-	
	Provision for Doubtful Claims	-		-	
	Provision for Guarantee Repairs	1,336.39		677.94	
	Provision for Leave Encashment (Section 43B)	1,055.68	2,641.53	1,040.51	1,830.41
	2. Deferred Tax Liabilities				
	Depreciation		3,184.86		2,782.45
	MTM		1.63		321.91
	Deferred Tax Liabilities/(Assets)(Net)		**544.96**		**1,273.95**

i. Deferred tax is recognized subject to the consideration of prudence on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

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.



NOTES ON BALANCE SHEET ITEMS

(Rupees In Lakhs)

2.20	GOVERNMENT ASSISTANCE FOR INFRASTRUCTURE AUGMENTATION	As at 31-03-2018		As at 31-03-2017	
	Balance at the beginning of the year	40,160.15		42,089.30	
	Add: Amount received during the period	15,895.53		-	
		56,055.68		42,089.30	
	Less : Proportionate amount of deferred revenue credited to P&L Statement	2,169.30		1,929.15	
			53,886.38		40,160.15
			53,886.38		40,160.15

2.21	TRADE & OTHER PAYABLES	As at 31-03-2018		As at 31-03-2017	
	1. MSME Vendors		2.26		78.64
	2. Other Vendors		4,617.49		3,573.14
	3. Deferred Payment Liability against supply of materials payable within 12 months	237.57		237.57	
	Less : Amount receivable from Navy/Indian Govt towards deferred debts	237.57	-	237.57	-
			4,619.75		**3,651.78**

Details of the dues to Micro, Small and Medium Enterprises (MSME), as defined in the Micro, Small and Medium Enterprises Development Act, 2006, outstanding as on 31st March 2018 is Rs 2.26 lakhs, (previous year ended 31st March 2017 : Rs 78.64 lakhs) are as shown below :

	Vendor Name	As at 31-03-2018	As at 31-03-2017
i	Apex Industries	-	1.50
ii	Aquarius Shipyard Pvt Ltd	-	36.17
iii	B.C.S. Engineering	0.57	-
iv	Brilliant Seagull Private Ltd	-	5.67
v	Cathodic Control Co. Pvt. Ltd.	-	-
vi	Express Machines & Scaffolding Private Ltd.	-	0.51
vii	Hemant Engineering Works	0.88	-
viii	Marine Electronics & Navigation Systems	0.26	-
ix	Mew Engineering Works Pvt Ltd	-	10.61
x	Ray Enterprises	-	10.51
xi	SHM Shipcare	-	10.07
xii	Val-Paz Enterprises	0.35	-
xiii	Zenith Control & Systems Pvt. Ltd.	0.20	-
xiv	Zen Technologies Limited	-	3.60
		2.26	**78.64**

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.



NOTES ON BALANCE SHEET ITEMS

(Rupees In Lakhs)

2.22	OTHER FINANCIAL LIABILITIES (CURRENT)	As at 31-03-2018	As at 31-03-2017
	1. Unclaimed Dividend	4.20	1.58
	2. Earnest Money Deposit	522.10	389.41
	3. Retention Money received	1,594.20	1,190.27
	4. Liability for Liquidity Damages	2,109.00	2,225.54
	5. Creditors for capital goods - Foreign supplier deferred credit (as per contra - 2.17)	0.75	0.75
	6. Differential Interest Liability for Exim Bank (as per contra-2.17)	346.39	-
	7. Liability for Purchases	8,426.02	6,825.92
	8. Creditors for Other Expenses	846.53	1,562.40
	9. Liability for Wages and related Liabilities	4,908.01	2,974.08
	10. Interest on Arbitration Award	1,076.38	-
	11. Other Liabilities	6,581.57	10,129.75
		26,415.15	**25,299.70**

2.23	OTHER CURRENT LIABILITIES	As at 31-03-2018		As at 31-03-2017	
	1. Advances Received from Customers *	61,855.65		143,500.49	
	Less : Amount received towards License and Tech doc fees 1241RE (as per contra - 2.3)	1,454.30		1,454.30	
	Less : Deduction towards work executed, included in Work-in-Progress (as per contra - 2.6)	15,274.12	45,127.23	77,884.17	64,162.02
	2. Statutory Dues		576.70		347.41
			45,703.93		**64,509.43**

*Advance from Customers includes an amount of Rs.1454 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. 2.3.

2.24	SHORT-TERM PROVISIONS	As at 31-03-2018		As at 31-03-2017	
	1. Provision for Leave Salary Encashment		929.71		740.45
	2. Provision for Gratuity		1,466.70		136.66
	3. Provision for Superannuation Fund		561.57		309.40
	4. Provision for PRMS		558.51		-
	5. Provision for Guarantee and Warranty				
	Opening Balance	1,958.93		1,732.97	
	Less: Utilised - Material	218.94		558.07	
	Less: Utilised - Sub Cont and Dir Exp	378.48		190.97	
		1,361.51		983.93	
	Add : Additional Provision (Refer Note -2.32)	2,500.00	3,861.51	975.00	1,958.93
			7,378.00		**3,145.44**



NOTES ON STATEMENT OF PROFIT & LOSS

(Rupees In Lakhs)

2.25	REVENUE FROM OPERATIONS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
	I. Turnover (Value of Production)		
	(a) Contract Revenue		
	i) Ship Construction	104,171.91	80,268.07
	ii) General Engineering	10,396.94	11,503.25
	(b) Sale of Products		
	i) B & D Spares	7,710.07	3,414.93
	(c) Sale of Services		
	i) Ship Repairs	6,872.17	1,146.55
	ii) General Engineering	5,115.82	6,686.95
	Total (I)	**134,266.91**	**103,019.75**
	II. Other Operating Revenue		
	1. Revenue from Govt Contract-Foreign Exchange Variation (Net)	-	116.27
	2. Sale of Stores & Scrap	574.38	239.51
	3. Settlement of Insurance Claim for BRI	99.52	240.01
	4. Interest on Arbitration Award	232.78	-
	5. Deferred revenue on Depreciation on Customer Funded Assets	2,169.29	1,929.15
	Total (II)	**3,075.97**	**2,524.94**
	Total Revenue from Operation (I+II)	**137,342.88**	**105,544.69**

2.26	OTHER INCOME	For the Year ended 31st March, 2018		For the Year ended 31st March, 2017	
	1. Interest				
	a) On Deposits with Banks	5,807.90		3,582.34	
	b) On Loan to Employees	11.19		22.03	
	c) Other Interest	365.49	6,184.58	310.63	3,915.00
	2. Profit on sale of fixed assets (Net)		10.30		397.59
	3. Liabilities/Provisions no longer required written back		1,235.77		111.27
	4. Miscellaneous Income		472.19		267.77
			7,902.84		**4,691.63**

2.27	MATERIAL CONSUMPTION	For the Year ended 31st March, 2018		For the Year ended 31st March, 2017	
	1. Cost Material consumed :				
	Opening Stock of Raw materials, Stores and Spares		46,366.48		59,172.16
	Add: Adjustment relating to Depletion in value of Inventory		1,235.77		-
			47,602.25		59,172.16
	Add: Purchases (Gross)		20,621.47		38,903.36
			68,223.72		98,075.52
	Less: Closing Stock-Stores in Hand		8,055.03		46,366.48
	Value of Raw Materials consumed		60,168.69		51,709.04
	Add: Cost of Material to be issued to Vessels Completed in the Current Year	100.00		1,500.00	



NOTES ON STATEMENT OF PROFIT & LOSS

(Rupees In Lakhs)

	Less: Cost of Material issued to Completed Vessels	593.57	(493.57)	759.19	740.81
	Value of Raw Materials consumed (Gross):		59,675.12		52,449.85
	Less: Material issued for Guarantee Repair	218.94		558.07	
	Less: Reduction in Value-included in other expenses	-		-	
	Less: Stores & Spares consumption included in Repairs & Maintenance	888.40	1,107.34	771.09	1,329.16
	Cost of Material Consumed (Net)		**58,567.78**		**51,120.69**
	2. Break up of Net Consumption				
	i. Imported	33,559.61		26,295.24	
	ii. Indigenous	25,008.17	58,567.78	24,825.45	51,120.69
	Total Consumption		**58,567.78**		**51,120.69**
	3. Consumption consists of:				
	i. Iron & Steel	1,773.37		294.68	
	ii. Non-ferrous Metals & Alloys	405.43		772.10	
	iii. Machinery & Equipment fitting on ships etc.	55,883.49		49,418.89	
	iv. Others	505.49		635.02	
			58,567.78		**51,120.69**
	4. Value of Imports on CIF basis:				
	A. Total Foreign Exchange outflow				
	i. Raw material including machinery, equipment for construction of ships, repairs and other production jobs.		8,638.31		17,450.97
	ii. Expenditure in Foreign Currency Know-how, Professional Consultancy Fees, Inspection charges, and others.		414.08		558.41
	iii. Capital goods		30.10		21.56
			9,082.49		**18,030.94**
	B. Total Foreign Exchange Inflow on Export orders		**17,793.73**		**39,881.61**

2.28	EMPLOYEE BENEFITS EXPENSES	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
	1. Salaries, Wages, Allowances and Bonus	14,330.92	11,928.41
	2. Leave Encashment	1,124.89	910.31
	3. Contribution to Provident Fund	994.88	915.97
	4. Contribution to Employees State Insurance Scheme	50.99	15.53
	5. Contribution to Deposit Linked Insurance Scheme	13.78	13.73
	6. Contribution to Gratuity Fund	1,291.48	212.65
	7. Contribution to Superannuation Fund	499.10	308.50
	8. Contribution to PRMS	558.51	-
	9. Staff Welfare Expenses	1,136.85	1,193.46
		20,001.40	**15,498.56**



NOTES ON STATEMENT OF PROFIT & LOSS

(Rupees In Lakhs)

1. Actuarial valuation of liability towards Gratuity - Note No. 2.28 above refers.		
Benefit Plans Gratuity - as per actuarial valuation on March 31, 2018		
	Valuation Date 31st March 2018	Valuation Date 31st March 2017
i) Assumptions as at		
Mortality	IALM (2006-08) Ult	IALM (2006-08) Ult
Discount Rate	7.73%	6.84%
Rate of increase in compensation	4.00%	4.00%
Expected average remaining service	8.53	7.83
Employee Attrition Rate (All Ages)	5.00%	5.00%
ii) Changes in Present Value of Obligations		
Present Value of Obligation as at the beginning of the year	7,016.54	7,103.41
Interest Cost	439.30	528.83
Current Service Cost	471.18	316.34
Past service Cost-(non vested benefits)	-	-
Past service Cost-(vested benefits)	819.71	-
Benefits Paid	(1,188.02)	(986.07)
Actuarial (Gain) /Loss on Obligations	46.89	54.03
Present Value of Obligation as at the end of the year	7,605.60	7,016.54
iii) Interest Expenses		
Interest Cost	439.30	528.83
iv) Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	6,879.88	6,824.68
Interest Income	434.76	525.06
v) Net Liability		
PVO at beginning of period	7,016.54	7,103.41
Fair Value of the Asset at beginning report	6,879.88	6,824.68
Net Liability	136.66	278.73
vi) Net Interest		
Interest Expenses	439.30	528.83
Interest Income	434.76	525.06
Net Interest	4.54	3.77
vii) Actual Return on Plan Assets	306.43	655.09
Less interest income included above	434.76	525.06
Return on plan assets excluding interest income	(128.33)	130.03
viii)Actuarial (Gain)/Loss on obligation		
Due to Demographic Assumption*	-	-
Due to Financial Assumption	(245.92)	294.12
Due to Experience	292.81	(240.09)
Total Actuarial (Gain)/Loss	**46.89**	**54.03**
* This figure does not reflect interrelationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience.		



NOTES ON STATEMENT OF PROFIT & LOSS

(Rupees In Lakhs)

	ix)	**Fair Value of Plan Assets**		
		Opening Fair Value of Plan Asset	6,879.88	6,824.68
		Adjustment to opening Fair Value of Plan Asset	-	77.04
		Return on Plan Assets excl. Interest income	(128.33)	130.03
		Interest Income	434.76	525.06
		Contribution by Employer	140.61	309.14
		Contribution by Employee	-	-
		Benefits Paid	(1,188.02)	(986.07)
		Fair Value of Plan Assets at end	6,138.90	6,879.88
	x)	**Past Service Cost Recognised**		
		Past Service Cost - (non vested benefits)	-	-
		Past Service Cost - (vested benefits)	819.71	-
		Average remaining future service till vesting of the benefit	-	-
		Recognised Past Service Cost - non vested benefits	-	-
		Recognised Past Service Cost - vested benefits	819.71	-
		Unrecognised Past Service Cost - non vested benefits	-	-
	xi)	**Amount to be recognized in the Balance Sheet and statement of Profit and Loss Account**		
		PVO at end of period	7,605.60	7,016.54
		Fair Value of Plan Assets at end of Period	6,138.90	6,879.88
		Funded Status	(1,466.70)	(136.66)
		Net Assets/(Liability) recognized in the balance sheet	(1,466.70)	(136.66)
	xii)	**Expenses recognized in statement of Profit & Loss**		
		Current Service Cost	471.18	316.34
		Interest Cost	4.54	3.77
		Past Service Cost - (non vested benefits)	-	-
		Past Service Cost - (vested benefits)	819.71	-
		Expenses Recognized in the statement of Profit & Loss	1,295.43	320.11
	xiii)	**Other Comprehensive Income (OCI)**		
		Actuarial Gain / Loss recognized for the period	46.89	54.03
		Adjustment to opening balance	-	-
		Asset limit effect	-	-
		Return on Plan Assets excluding net interest	128.33	(130.03)
		Unrecognized Actuarial (Gains)/ Losses from previous period	-	-
		Total Actuarial (Gain) / Loss recognised in (OCI)	175.22	(76.00)
	xiv)	**Movements in the liability recognised in Balance Sheet**		
		Opening Net Liability	136.66	278.73
		Adjustment to opening Fair value of plan assets	-	(77.04)
		Expenses as above	1,295.43	320.11
		Contribution paid	(140.61)	(309.14)
		Other Compreneshive Income (OCI)	175.22	(76.00)



NOTES ON STATEMENT OF PROFIT & LOSS

(Rupees In Lakhs)

	Closing Net liability		1,466.70		136.66
xv)	**Schedule III of The Companies Act, 2013**				
	Current Liability		**1,466.70**		**136.66**
	Non Current Liability		**6,138.90**		**6,879.88**
xvi)	**Projected Service Cost 31st March, 2019/ 31st March, 2018**		**523.04**		**328.38**
xvii)	**Asset Information**	**Total Amount**	**Target allocation**	**Total Amount**	**Target allocation**
			%		%
	Cash and Cash Equivalents	1.84	0.03	14.77	0.21
	Gratuity Fund (Trustees of the company)	-	-	-	-
	Debt Security - Government Bond	6,137.06	99.97	6,865.11	99.79
	Equity Securities - Corporate Debt securities	-	-	-	-
	Other Insurance Contracts	-	-	-	-
	Property	-	-	-	-
	Total Itemized Assets	**6,138.90**	**100.00**	**6,879.88**	**100.00**
xviii)	**Sensitivity Analysis**	**01-04-2017 to 31-03-2018**			
	Particulars	**DR: Discount Rate**		**ER: Salary Escalation rate**	
		PVO DR +1%	**PVO DR -1%**	**PVO ER +1%**	**PVO ER -1%**
	PVO	7,349.6	7,883.21	7,890.74	7,338.32
2.	**Actuarial valuation of liability towards Leave Encashment - Note No. 2.28 above refers.**				
	Defined benefit Plans Leave Encashment as per actuarial valuation on March 31, 2018				
		Valuation Date 31st March 2018		Valuation Date 31st March 2017	
i)	**Assumptions as at**				
	Mortality	IALM (2006-08) Ult		IALM (2006-08) Ult	
	Discount Rate	7.73%		6.84%	
	Rate of Increase in Compensation Levels	4.00%		4.00%	
	Rate of Return on Plan Assets	-		-	
	Expected Average remaining working lives of employees (years)	9.02		8.22	
	Employee Attrition Rate (All Ages)	5.00%		5.00%	
ii)	**Changes in Present Value of Obligations**				
	Present Value of Obligation as at the beginning of the year	3,006.55		2,670.61	
	Adjustment to opening Fair value of plan assets	-		-	
	Interest Cost	193.35		200.37	
	Past Service Cost - (non vested benefits)	399.11		353.05	
	Past Service Cost - (vested benefits)	-		-	
	Benefits Paid	(359.72)		(331.87)	
	Actuarial (Gain)/Loss on Obligations	(188.88)		114.39	
	Present Value of Obligation as at the end of the year	3,050.41		3,006.55	
iii)	**Interest Expenses**				
	Interest Cost	193.35		200.37	
iv)	**Fair Value of Plan Assets**				
	Fair Value of Plan Assets at the beginning of the year				
	Interest Income				



NOTES ON STATEMENT OF PROFIT & LOSS

(Rupees In Lakhs)

v)	**Net Liability**		
	PVO at beginning of period	3,006.55	2,670.61
	Fair Value of the Asset at beginning of report	-	-
	Net Liability	3,006.55	2,670.61
vi)	**Net Interest**		
	Interest Expenses	193.35	200.37
	Interest Income	-	-
	Net Interest	193.35	200.37
vii)	**Actual Return on Plan Assets**	-	-
	Less interest income included above	-	-
	Return on plan assets excluding interest income	-	-
viii)	**Actuarial (Gain)/Loss on obligation**		
	Due to Demographic Assumption*	-	-
	Due to Financial Assumption	(110.12)	142.47
	Due to Experience	(78.76)	(28.09)
	Total Actuarial (Gain)/Loss	(188.88)	114.39
	* This figure does not reflect interrelationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience.		
ix)	**Fair Value of Plan Assets**		
	Opening Fair Value of Plan Asset	-	-
	Adjustment to opening Fair Value of Plan Asset	-	-
	Return on Plan Assets excluding Interest income	-	-
	Interest Income	-	-
	Contribution by Employer	359.72	331.87
	Contribution by Employee	-	-
	Benefits Paid	(359.72)	(331.87)
	Fair Value of Plan Assets at end	-	-
x)	**Past Service Cost Recognised**		
	Past Service Cost - (non vested benefits)	-	-
	Past Service Cost - (vested benefits)	-	-
	Average remaining future service till vesting of the benefit	-	-
	Recognised Past Service Cost - non vested benefits	-	-
	Recognised Past Service Cost - vested benefits	-	-
	Unrecognised Past Service Cost - non vested benefits	-	-
xi)	**Amount to be recognized in the Balance Sheet and statement of Profit and Loss Account**		
	PVO at end of period	3,050.41	3,006.55
	Fair Value of Plan Assets at end of Period	-	-
	Funded Status	(3,050.41)	(3,006.55)
	Net Assets/(Liability) recognized in the Balance Sheet	(3,050.41)	(3,006.55)



NOTES ON STATEMENT OF PROFIT & LOSS

(Rupees In Lakhs)

xii)	**Expenses recognized in statement of Profit & Loss**		
	Current Service Cost	399.11	353.05
	Interest Cost	193.35	200.37
	Past Service Cost - (non vested benefits)	-	-
	Past Service Cost - (vested benefits)	-	-
	Curtailment effect	-	-
	Settlement Cost / (Credit)	-	-
	Actuarial (Gain) / Loss recognized in the year	(188.88)	114.39
	Expenses Recognized in the statement of Profit & Loss	403.58	667.81
xiii)	**Other Comprehensive Income (OCI)**		
	Actuarial Gain / Loss recognized for the period	-	-
	Adjustment to opening balance	-	-
	Asset limit effect	-	-
	Return on Plan Assets excluding net interest	-	-
	Unrecognized Actuarial (Gains)/ Losses from previous period	-	-
	Total Actuarial (Gain) / Loss recognised in (OCI)	-	-
xiv)	**Movements in the liability recognised in Balance Sheet**		
	Opening Net Liability	3,006.55	2,670.61
	Adjustment to opening Fair value of plan assets	-	-
	Expenses as above	403.58	667.81
	Contribution paid	(359.72)	(331.87)
	Closing Net liability	3,050.41	3,006.55
xv)	**Schedule III of The Companies Act, 2013**		
	Current Liability	**929.71**	**740.45**
	Non Current Liability	**2,120.70**	**2,266.10**
xvi)	**Projected Service Cost 31st March, 2019/31st March, 2018**	429.96	377.21
xvii)	**Asset Information**		
	Not applicable as the plan is unfunded		
xviii)	**Sensitivity Analysis**	**01-04-2017 to 31-03-2018**	

Particulars	DR: Discount Rate		ER: Salary Escalation rate	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
PVO	2,937.50	3,174.83	3,173.86	2,936.62

2.29	FINANCE COSTS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
	1. Interest Expenses on Bank LAD	74.21	72.14
	2. Others	4.66	107.07
		78.87	179.21



NOTES ON STATEMENT OF PROFIT & LOSS

(Rupees In Lakhs)

2.30	OTHER EXPENSES	For the Year ended 31st March, 2018		For the Year ended 31st March, 2017	
	1. Power, Fuel and Electricity		435.57		388.82
	2. Rent		29.36		18.78
	3. Rates and Taxes		25.47		44.43
	4. Water expenses		51.20		49.35
	5. Insurance		104.02		126.54
	6. Repairs and Maintenance:				
	i) Factory Buildings & site	635.23		457.82	
	ii) Plant and Machinery	562.20		517.51	
	iii) Others	905.90		719.68	
		2,103.33	2,103.33	1,695.01	1,695.01
	7. Loose Tools consumed		-		-
	8. Printing and Stationery		25.76		39.83
	9. Postage, Telegrams and Telephone		71.35		77.95
	10. Travelling Expenses	496.35		276.51	
	Less: Amount included under - Training Expenses	16.74		26.36	
	- Recruitment Expenses	3.43		3.32	
	- Direct Expenses	174.53	301.65	77.38	169.45
	11. Recruitment Expenses	26.31		10.78	
	Less: Advertisement expenses for Recruitment included under the Head "Advertisement"	18.93	7.38	7.06	3.72
	12. Advertisement				
	- Recruitment	18.93		7.06	
	- Staff & Establishment	0.86		0.55	
	- Tenders	72.26		69.97	
	- Publicity	52.89	144.94	56.31	133.89
	13. Business Promotion Expenses		235.66		71.21
	14. Bank Charges		18.52		8.13
	15. Auditors Remuneration				
	- Statutory Audit Fees	2.95		2.88	
	- Auditor fees for other services	2.95		-	
	- Tax Audit Fees	0.47		0.46	
	- Fees for Certification	1.79		0.50	
	- Audit Expenses	2.82	10.98	2.59	6.43
	16. Other Audit Fees				
	- Cost Audit Fees	1.77		1.73	
	- VAT Audit Fees	0.30		0.29	
	- Fees for Secretarial Audit	1.00		1.02	
	- Audit Expenses	0.30		-	
	- Internal Audit fees	5.74	9.11	2.76	5.80



NOTES ON STATEMENT OF PROFIT & LOSS

(Rupees In Lakhs)

	17. CISF and Security Expenses		1,213.30		1,406.78
	18. Stock Adjustments		18.34		346.54
	19. Legal Charges		30.48		87.18
	20. Professional and Consultant Fees		143.88		86.98
	21. Insurance Claim disallowed		-		-
	22. Vehicle Hire charges		207.86		138.93
	23. Books & Periodicals		12.22		9.22
	24. Foreign Exchange Variation		0.13		108.02
	25. Training Expenses	34.41		32.30	
	Add: Travelling expenses for training	16.74	51.15	26.36	58.66
	26. Directors Sitting Fees & Expenses		7.74		15.01
	27. LD/FE Variation Deducted by Customer		17.49		319.42
	28. R & D Expenditure		882.77		831.59
	29. Stores Clearing and Handling Charges		310.98		340.66
	30. Bad Debt Written off		-		369.28
	31. Interest/Cost on Arbitration Award		1,120.35		-
	32. Exchange Fluctuation gain on Forward Contract		(447.10)		(1,033.86)
	33. Miscellaneous Expenses		374.81		396.22
			7,518.70		**6,319.97**

2.31	CORPORATE SOCIAL RESPONSIBILITY	For the Year ended 31st March, 2018		For the Year ended 31st March, 2017	
	(a) Gross Amount required to be spent by the Company during the period		227.54		67.38
	(b) Amount spent during the period	288.30		346.08	
	Less: Utilised from Opening CSR Reserve (Note 2.15.2)	-		-	
	Amount spent as Current Year Expenditure		288.30		346.08
	(i) On construction or acquisition of Assets - In Cash	142.80		214.57	
	- Liability accounted	-	142.80	22.82	237.39
	(ii) On purposes other then (i) above - In Cash	142.39		89.01	
	- Liability accounted	3.11	145.50	19.68	108.69
			288.30		**346.08**

2.32	PROVISIONS MADE	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
	1. Guarantee Repairs	2,500.00	975.00
	2. Bad and Doubtful Debts	397.31	4.91
	3. Others	-	-
		2,897.31	**979.91**



ADDITIONAL NOTES TO ACCOUNTS – INFORMATIVE

(Rupees In Lakhs)

2.33	INCOME TAX:	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
A	**The Major Component of Income Tax expenses for the year are as under:**		
	(i) Income tax recognised in the Statement of profit & Loss		
	Current tax:		
	In respect of Current period	12,050.00	4,900.00
	Adjustment in respect of previous year	-	69.11
	Deferred Tax:		
	In respect of Current period	(729.00)	1,035.57
	Income Tax expenses recognised in the Statement of Profit & Loss	**11,321.00**	**6,004.68**
B	**Reconciliation of Tax expenses and the accounting profit for the year is as under:**		
	Profit before Tax	33,054.09	17,745.14
	Income Tax computed at 34.608%	11,439.36	6,141.24
	Tax effect on non deductible expenses	99.77	119.77
	Incentive Tax credits	(188.70)	(434.68)
	Others	(194.16)	24.45
	Additional Provision	164.73	84.79
	Total	**11,321.00**	**5,935.57**
	Adjustments in respect of current income tax of previous year	-	69.11
	Tax expense as per Statement of Profit and Loss	**11,321.00**	**6,004.68**

2.34	EARNINGS PER SHARE	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
	Total Comprehensive Income for the period	21,557.87	11,816.45
	Earnings per share Basic (in Rs.)	18.52	10.15
	Earnings per share Diluted (in Rs.)	18.52	10.15
	Share having nominal value of Rs.5/- each (Previous year Rs 5/- each)		



NOTES ON STATEMENT OF PROFIT & LOSS

ADDITIONAL NOTES TO ACCOUNTS – INFORMATIVE

(Rupees In Lakhs)

2.35	**Business Segment Reporting**		
	A) Segment-wise Turnover (Value of Production)		
	Shipbuilding	111,881.98	83,683.00
	Ship Repair	6,872.17	1,146.55
	General Engineering	15,512.76	18,190.20
	Total	**134,266.91**	**103,019.75**
	B) Segment Result		
	(i) Profit /(Loss) before Tax from each Segment		
	Shipbuilding	24,241.16	11,276.27
	Ship Repair	1,042.54	319.95
	General Engineering	4,147.09	3,227.12
	Other Operating income	3,075.97	2,524.94
	Sub-total :	**32,506.76**	**17,348.28**
	(ii) Less: Expenditure not allocated to segments		
	Interest payments	78.87	179.21
	Other Unallocable Expenditure	7,276.64	4,115.56
	Sub-total :	**7,355.51**	**4,294.77**
	(iii) Add: Income not allocated to segments		
	Interest Received	6,184.58	3,915.00
	Other Income	1,718.26	776.63
	Sub-total :	7,902.84	4,691.63
	(iv) Profit before Tax (PBT) (i-ii+iii)	**33,054.09**	**17,745.14**
	(v) Less: Income Tax	**11,321.00**	**6,004.68**
	(vi) Profit after Tax (PAT) (iv-v)	**21,733.09**	**11,740.46**

i) There is no segment wise bifurcation of Assets & Liabilities for Ship Construction, Ship Repair, General Engineering and B & D Spares. Assets & Liabilities of the Company are jointly used by all segments.

ii) There are no geographical segments within the business segments. Revenues of Rs.51594.09 Lakhs as on 31.03.2018 (Previous Year Rs. 36058.41 Lakh) are derived from a single external customer and are attributed to the Ship Building segment.

2.36 Contingent Liabilities and Commitments:

1. 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:

2. **Amounts for which Company may be contingently liable:**

a)	Estimated amount of contracts remaining to be executed on capital account.	51,997.87	50,616.00
b)	Position of non-fund based limits utilized for:		
	(i) Letters of Credit	4,465.57	422.20
	(ii) Guarantees and counter guarantees	23,644.24	18,555.42
c)	Indemnity Bonds issued by the Company to Customers for various contracts	32,636.02	83,012.07



NOTES ON STATEMENT OF PROFIT & LOSS

2.36.3 Contingent Liabilities and Commitments (to the extent not provided for):

(Rupees In Lakhs)

	Particulars	As on 31.03.2018				As on 31.03.2017			
		Carrying amount at the beginning of the year	Amount reduced through settlement/ provision during the period	Additional provisions made during the Period	Amount at the end of the year	Carrying amount at the beginning of the year	Amount reduced through settlement/ provision during the period	Additional provisions made during the year	Amount at the end of the year
(i)	Arbitration case no. 01/2008, M/s Mahalasa Services (Cleaning contractor) Arbitration Claim raised before the Sole Arbitrator for Yard & Colony Contract for the period 2006-2008.	6.00	6.00	-	-	6.00	-		6.00
(ii)	Arbitration against M/s Shoft Shipyard for yard 1205 (The amount has been claimed with interest @ 18% p.a.).	2,227.00	2,227.00		-	2,987.00	760.00		2,227.00
(iii)	Arbitration appeal no. 06/2014, M/s Mahalasa Services against the Award of the Arbitrator.	62.86	62.86	-	-	59.58	-	3.28	62.86
(iv)	Damages claimed by dismissed employee in Civil Suit filed in Vasco Court.	840.00	-	-	840.00	840.00	-		840.00
(v)	Appeal against disputed Income Tax Liability for the AY 2010-11 pending before The Hon'ble High Court against disallowance of Expenditure of Rs 876 Lakhs out of which Rs 796 is allowed by ITAT as allowable deduction in AY 2013-14.	18.00	18.00		-	18.00	-	-	18.00
(vi)	Claim by Simplex Ltd for stoppage of work	18.00	18.00		-	-	-	18.00	18.00
(vii)	Mukand Ltd, "C" Form issue/ differential tax	-		133.00	133.00				
(viii)	JMC : Contract value enhancement and migration from VAT to GST	-		1,391.01	1,391.01				
	Total	**3,171.86**	**2,331.86**	**1,524.01**	**2,364.01**	**3,910.58**	**760.00**	**21.28**	**3,171.86**

Gross tonnage of 32000 T (12000T in FY 18 only) delivered in last 04 years, highest in the industry by any shipyard

Celebrating Glorious Years 1957 - 2017

NOTES ON STATEMENT OF PROFIT & LOSS

GOA SHIPYARD LIMITED

2.36.4 PROVISIONS

As on 31.03.2018
Rupees in lakhs

Sr. No.	Provision towards	Carrying amount at the beginning of the year	Additional provisions made during the period	Amount used during the period	Unused amount reversed	Amount at the end of the year	Brief description of nature and obligation	Indications of uncertainities about the outflow	Amount expected reimbursement, if any
1	Taxation	10,247.91	12,050.00	-	-	22,297.91	Provision for Income Tax of various Assessment Years	Any excess / short provided would be adjusted on completion of assessment	Nil
2	Leave Encashment	3,006.55	1,124.89	1,081.04	-	3,050.40	Provision for encashable earned leave as per actuarial valuation	Nil	Nil
3	Gratuity	136.66	1,466.70	136.66	-	1,466.70	Provision for Gratuity as per actuarial valuation	Nil	Nil
4	Superannuation	309.40	499.10	246.93	-	561.57	Provision for Superannuation Scheme	Nil	Nil
5	Guarantee Repairs	1,958.93	2,500.00	597.42	-	3,861.51	Provision for Guarantee Repairs	Nil	Nil
6	PRMS Provisions	-	558.51	-	-	558.51	Provision for Post Retirement Medical Scheme	Nil	Nil
	Total 1 to 6	**15,659.45**	**18,199.20**	**2,062.05**	**-**	**31,796.60**			

NOTES ON STATEMENT OF PROFIT & LOSS

2.37 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.

2.38 The Appellate Authority for Arbitration after hearing Andaman & Nicobar Administration and Goa Shipyard Limited passed an Arbitration Award/Order on 15/11/2011 allowing Appeal filed by GSL & rejected the Appeal of Andaman & Nicobar Administration. The subject was discussed in a meeting convened by Cabinet Secretary on 29.10.2017, wherein it was decided to settle the matter in the interest of both the parties, being Government organizations, it has been decided to settle the matter, subject to approval of competent authorities of respective organizations. As the claim is certain and provision made earlier in this regard amounting to Rs 52 lakhs has been withdrawn. The amount due from Andaman & Nicobar Administration has been settled during FY 2017-18 and GSL has received an amount of Rs 285.09 lakhs towards the settlement including interest thereon.

2.39 The company has taken up the issues of waiver of LD of GSL Yard 1211, reimbursement of additional project expenditure on account of warranty extension of major equipments of NOPVs amounting to Rs 2857 lakhs, Cost difference of Gear Box amounting to Rs. 809 lakhs and Cost Escalation of Rs 838 lakhs on SRGM Gun, with the Customer/Ministry. The dispensation on the case is under the consideration of the Government and favourable decision in this regard is expected.

2.40 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 by payment of CVD and SAD as applicable on goods imported directly for CGOPVs for which contract was signed in 2012 i.e before the amendment as above and hence the duty paid by GSL as above is reimbursable by Indian Coast Guard. The total CVD and SAD paid by GSL, outstanding to be reimbursed by Coast Guard as on 31.03.2018 is Rs. 2172.26 lakhs and in addition, an amount of Rs 353.46 lakhs reimbursed by GSL to sub vendors towards CVD and SAD due to the amendment, totalling Rs. 2525.72 lakhs is due for reimbursement by Coast Guard to GSL. This matter has been taken up with CGHQ/MoD for reimbursement of the amount and is expected to be disposed off in favour of the Company.

2.41 (i) Certain balances under Trade Receivable, Trade Payable, Current Assets, Loans and Advances, Current Liabilities, etc. are subject to confirmation and reconciliation.



NOTES ON STATEMENT OF PROFIT & LOSS

(ii) The company has a process of sending communication for confirmation of balances during end of the financial year. Adjustments arising out of confirmations, if any, will be given effect in the books of accounts during the year of adjustments.

2.42 The Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers on 28th March 2018. The standard replaces existing revenue recognition standards Ind AS 11 Construction Contracts and Ind AS 18 Revenue. The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 for the year ended March 31, 2018 is expected to be insignificant.

2.43 Related Party Transaction

All the transactions entered into by the Company with related parties, during the financial year 2017-18, were in ordinary course of business and on arm's length basis and which don't have potential conflict with the interests of the Company at large.

Remuneration to Director and Key Managerial Personnel : Rupees In Lakhs

Particulars	For the Year ended 31st March, 2018		For the Year ended 31st March, 2017	
	Salary & Allowances	Perquisites as per IT Rules	Salary & Allowances	Perquisites as per IT Rules
Chairman & Managing Director*	67.69	4.24	42.55	2.62
Director (Operations)*	53.81	-	31.00	
Director (Finance)	47.49	-	25.80	-
Director (CPP&BD)	50.68	-	15.48	-
Present Company Secretary	8.59	-	5.06	-
Ex Company Secretary *	49.74	-	51.12	-

* includes terminal benefits

2.44 Details of Hedged and unhedged foreign currency Forward Contracts

For Hedging Currency related risks

(Rupees In Lakhs)

Particulars	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Forward Contract	8,529.15	12,547.81

a. All derivative and financial instruments acquired by the company are for hedging purpose only.

b. There are no Foreign currency exposures that are not hedged by derivative instruments or forward contracts.



2.45 In the preparation of these Ind AS Financial Statements, figures for the previous year have been regrouped/reclassified, wherever considered necessary to conform to current year presentation. Accordingly, some assets and liabilities have been reclassified into another line item under Ind AS. Figures are suitably rounded off to Rs. 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 Company Act, 2013.

As per Our Report of Even Date Attached

For ABM & Associates LLP
Chartered Accountants
(FRN 105016W)

RAdm. Shekhar Mital, NM (Retd.)
Chairman & Managing Director

Sagar Teli
Partner
M.No. 138620

Chhaya Jain
Company Secretary

T. N. Sudhakar
Director (Finance)

Place : Porvorim, Goa
Date : 30/06/2018

Place: Vasco da Gama, Goa
Date : 28/06/2018



GSL IN THE NEWS

It is difficult for public sector units to compete with private players: Jaitley

OUR BUREAU

New Delhi,

Finance Minister Arun Jaitley on Thursday admitted that 'chaining of the public sector to the legal regime' affects their performance, especially in sectors where there is competition. The statement is seen as a reference to Hindustan Aeronautics not being selected as partner in the multi-crore Rafale fighter-jet deal.

"In sectors where there are public players as well as private sector players the environment for functioning of the two is entirely different. One's transactions are audited by you and others are not. One has to



Finance Minister Arun Jaitley at a CAG conference in New Delhi on Thursday KAMAL NARANG

them a level playing field. the dangers of that level ing field again will be tha spend public fund and he different regime would and the consequence is there's a vicious circle," he while admitting that he self is yet to find a definit swer to this. He was ho that with accelerating pa reforms, things wo and that would be sector companies.

The Finance M that formalisation nomy has expand sources. "If we look tioning of the Department vari

ernment, it was fixed by judi-

GSL delivers largest OPV to Lankan Navy ahead of schedule





ICGS Sujay joins Coast Guard to bolster security

TIMES NEWS NETWORK

Vasco: Commissioning a new coast guard vessel at Goa Shipyard limited (GSL), director general of the Indian Coast Guard (ICG) Rajendra Singh said on Thursday



and its current inventory of 134 ships is more than double of pre-2009. We have 12 offshore patrol vessels, 19 fast patrol vessels and 33 interceptor boats being built indigenously at various Indian shipyards," Singh said.

Singh said that the increased

GSL delivers fuel barge to Navy fleet

TIMES NEWS NETWORK

NEW VESSEL

➤ The primary role is to

Panaji: The Indian Navy's

GSL, German Co to manufacture MTU series engines in Goa

THE GOAN | NETWORK

VASCO

Goa Shipyard Limited (GSL) and MTU, Germany, on Thursday agreed to cooperate in the local manufacturing of technologically advanced MTU



PROJECT AHEAD

- GSL will manufacture MTU Series 8000 engines in India
- Engines to be manu-

Goa Shipyard delivers 2nd large AOPV to Lankan Navy



GSL reports highest ever financial performance

Team Herald

VASCO: The Goa Shipyard Limited (GSL) has reported highest ever financial performance in financial year 2018.

An announcement on the

bers, informed that the Company revenue has moved up by 32% from Rs 1102 Cr in FY17 to Rs 1452 Cr in FY18, while Operating Profit has moved up from Rs 131 Cr in the previous year to Rs 252 Cr register-

Goa Shipyard to build two frigates with Russian tech

Newton Sequeira

...up.com

...as completed ...ations for the ...ur advanced ...alth frigates ...of which will

INDIGENOUS EFFORTS

A guided-missile frigate is a warship designed to counter surface ships, submarines and airborne threats

➤ Russia inspected shipyard and validated GSL's capability

➤ With conclusion of export orders, GSL has idle capacity

Factors favouring GSL

INS Talwar on which design the



Union Minister for Shipping, Road Transport and Highways Niti along with Chief Minister Laxmikant Parsekar and others while plaque to commission Indian Coast Guard vessel 'Shoor' at GSL

NT NETWORK

VASCO

Disclosing that the ambitious 'Sagar Mala' project will be launched by the Prime Minister Narendra Modi during the World Maritime Summit to be

Shipping, Road Transport and Highways Nitin Gadkari on Monday said that around one crore jobs will be generated by the project including 40 lakh directly and 60 lakh jobs indirectly.

Gadkari was speaking to the media along with offi-

'Shoor' in-hous yard Lt said tha rate the on Apri

Gadk the Saga infrastr

GSL observes 'Swachhta-Hi-Seva' abhiyan

Vasco: A cleanliness drive under "Swachhta Hi Seva" abhiyan was organised by Goa Shipyard Ltd (GSL) on Tuesday on the occasion of "Mahatma Gandhi's 150th birth anniversary ".

RAdm Shekhar Mital, NM (retd), CMD GSL, Sudhakar T N, director (finance), S J Kamat, director (operations) along with officers, CISF personnel and employees took part in the cleaning campaign from Goa Shipyard to Mormugao



keep the city of Vasco neat and tidy. He also emphasized on the need of cleanliness by each and every citizen.

Over the past many days GSL has taken number of steps to stay committed to its vision of making Goa a clean and a model state in terms of cleanliness. GSL has come forward with donation of garbage disposal vans to Mormugao Municipal Council, adoption of wards for cleaning, be-

Celebrating 1957 - 2017 60 Glorious Years

Events at GSL





Independence Day celebrations



Republic Day celebrations



Celebration of World Environment Day on 05 Jun 17



Interactive session with DGP Dr Muktesh Chander, IPS during Vigilance Week on 03 Nov 17



GSL conducted a cleanliness drive around Vasco under Swachh Bharat Abhiyaan on 02 Oct 17



National Safety Week observed from 04-31 Mar 18

Celebrating 1957 - 2017 60 Glorious Years

Glorious Moments





Laying of Foundation Stone by Hon'ble Chief Minister of Goa Shri Manohar Parikar for MCMV Design, Command & Control Office on 12 Jan 18



Visit of Hon'ble Raksha Rajya Mantri Dr. Subhash Bhamre on 14 May 17



Visit of Shri Sanjay Mitra, IAS, Defence Secretary on 12 Jul 17



Visit of ADM Sunil Lanba, Chief Naval Staff, Indian Navy on 20 Apr 17



Visit of VAdm Ete Ekwe Ibas, CNS, Nigerian Navy on 19 Jul 18



Secy DP Dr. Ajay Kumar visit at GSL stall at Army Exhibition in Moscow on 21 Aug 18

GSL Product Profile









Delivering state of the art ships ahead of schedule at fixed costs









ACCOLADES

Best Performing Shipyard of MoD FY15-16

RM Excellence Award for Design Efforts FY14-15

"Excellent MoU rating with 100% marks for FY 16-17

Achieved 1st time by any DPSU in last 10 years

RM Excellence Award for Performance in Exports FY14-15

SCOPE Award for Financial Turnaround for FY14-15

RM EXCELLENCE AWARD 31ST MAY 2017



RM EXCELLENCE AWARD 31ST MAY 2017



Celebrating 1957 - 2017 60 Glorious Years

GOA SHIPYARD LIMITED

CIN : U63032GA1967GOI000077
(A GOVT. OF INDIA UNDERTAKING)
VASCO-DA-GAMA, GOA - 403 802, INDIA
Tel: +91 - 832 - 2512152 - 56 (5 lines), 2513954, 2512359
email: contactus@goashipyard.com url: www.goashipyard.co.in

BEST PERFORMING SHIPYARD OF MoD FOR FY15-16

FINANCIAL TURNAROUND FY 14-15

AWARD FOR FINANCIAL TURNAROUND BY HON'BLE PRESIDENT

