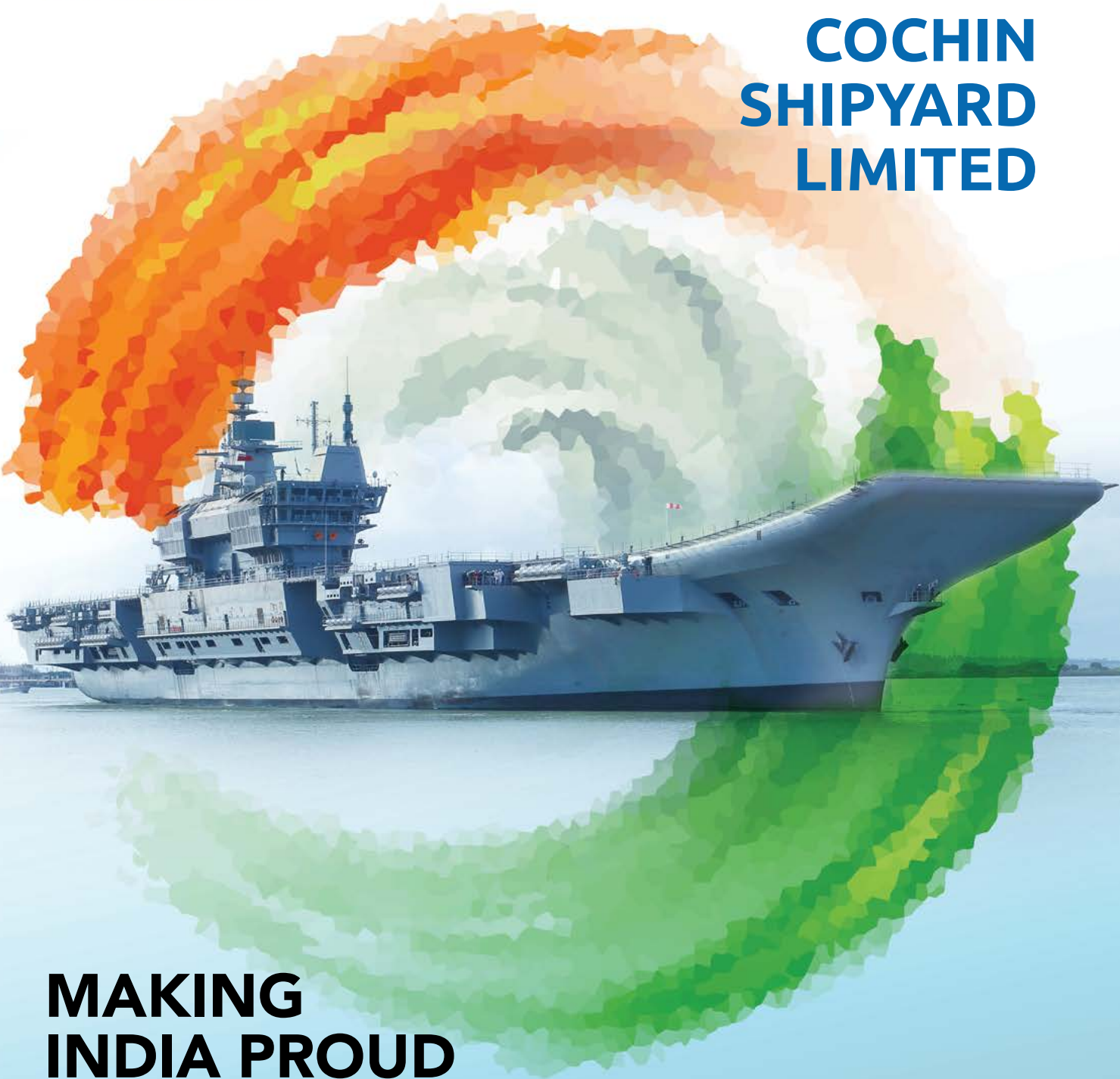


# COCHIN SHIPYARD LIMITED



## MAKING INDIA PROUD

Annual Report  
2020-21





# INSIDE THE REPORT

Scan QR code or click  
the link below to visit  
our website



<https://cochinshipyard.in/>



## FORWARD-LOOKING STATEMENTS

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe", "plan", "anticipate", "continue", "estimate", "expect", "may", "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

## CORPORATE OVERVIEW

- 02 About Us
- 04 Delivering Value
- 06 Global Customer Footprint & Pan India Presence
- 09 Our Offerings
- 10 The Made in India, Made for India Aircraft Carrier
- 12 Major Expansion Projects
- 14 Sustaining Performance Amidst Challenges
- 16 Performance Highlights of the Year
- 18 Chairman's Address
- 24 Board of Directors
- 26 Our People
- 28 Safe, Healthy and Clean Environment
- 29 Corporate Social Responsibility
- 30 Corporate Information

## STATUTORY REPORTS

- 31 Directors' Report
- 88 Report on Corporate Governance
- 111 Management Discussion and Analysis Report
- 120 Business Responsibility Report

## FINANCIAL STATEMENTS

- 129 Independent Auditors' Report (Standalone)
- 139 Comments of the C&AG (Standalone)
- 140 Standalone Financial Statements
- 203 Independent Auditors' Report (Consolidated)
- 209 Comments of the C&AG (Consolidated)
- 210 Consolidated Financial Statements

## NOTICE



# ABOUT US

**COCHIN SHIPYARD LIMITED (CSL) WAS INCORPORATED IN THE YEAR 1972 AS A FULLY OWNED GOVERNMENT OF INDIA COMPANY. PRESENTLY, THE GOVERNMENT OF INDIA HOLDS 72.86% OF EQUITY SHARE CAPITAL IN THE COMPANY. IN THE LAST FOUR DECADES, THE COMPANY HAS EMERGED AS A FORERUNNER IN THE INDIAN SHIPBUILDING & SHIP REPAIR INDUSTRY AND ALSO A WELL-KNOWN PLAYER ON THE GLOBAL SHIPBUILDING FRONT.**

The Company has built and repaired some of the largest ships in India and is presently building the prestigious Indigenous Aircraft Carrier for the Indian Navy. Over the years, CSL has successfully responded to fluctuations in the shipbuilding requirements of the markets and have evolved from building bulk carriers to smaller and more technically sophisticated vessels such as Platform Supply Vessels (PSV) and Anchor Handling Tug Supply Vessels (AHTS). CSL has worked with several leading technology firms in the industry including Rolls Royce Marine (Norway), GTT (France), Vard Group (Norway) etc. CSL has exported 47 vessels to some of the most demanding clients in Norway, Netherlands, Cyprus, USA, Germany, Denmark/ Bahamas, Saudi Arabia and UAE. This has added to our credibility in the international market. Our key shipbuilding clients on the domestic front include, the Indian Navy, the Indian Cost Guard, the Shipping Corporation of India Limited, Lakshadweep Government, various Port Trusts, Inland Waterways Authority of India (IWA), A&N Administration, Directorate General of Lighthouses and Lightships (DGLL) and Jindal Steel Works (JSW) group. CSL has also undertaken repairs of various types of vessels including upgradation of ships of the oil exploration industry as well as periodical maintenance, repairs and life extension of ships. CSL is presently one of the best performing shipyards in India.





## DELIVERING VALUE



### OUR VISION

- Emerge as an internationally preferred shipyard to construct world class Merchant and Naval ships, offshore vessels and structures.
- Be the market leader in India for ship repairs, including conversions and up-gradation.
- To be admired for our achievements, respected for our ethics and trusted for our service excellence by our valued customers.



### OUR MISSION

- To build and repair ships and off-shore structures to international standards and provide value added quality engineering services.
- Sustain corporate growth in competitive environment.
- To adopt and undertake practices towards becoming a responsible corporate citizen.



### OUR OBJECTIVES

- To sustain and enhance shipbuilding and ship repair activities through technology up-gradation and capacity augmentation.
- To continuously endeavour to expand/diversify activities of the shipyard including setting up new facilities.
- To carry out research & development in existing and emerging technologies in shipbuilding processes.
- To move towards international benchmarking, benchmark with the best shipbuilding standards followed in India.
- To motivate employees through improved specific training programs. To adopt best practices for clean and safe environment. Ride the down time with aggressive bidding and secure orders to maximize capacity.
- To ensure positive customer oriented initiatives.
- To build a responsible corporate citizen image through CSR & sustainability projects and compliance to corporate governance principles.



## GLOBAL CUSTOMER FOOTPRINT & PAN INDIA PRESENCE



### OUR FACILITIES

#### COCHIN SHIPYARD LIMITED (CSL), KOCHI

Dry-dock 1 : 255 x 43 x 9 Mtr  
Dry-dock 2 : 270 x 45 x 12 Mtr  
Dry-dock 3 : 310 x 75/60 x 13 Mtr (New)  
Berth : 1.3 KM

#### INTERNATIONAL SHIP REPAIR FACILITY (ISRF), KOCHI

Shiplift : 6000T (130 x 25 Mtr)  
6 Work Stations  
Dedicated Shops & Maritime Park

#### CSL MUMBAI SHIP REPAIR UNIT (CMSRU), MUMBAI

Dry-dock : 300 x 30 x 9 Mtr  
1 KM berth for afloat repairs

#### CSL KOLKATA SHIP REPAIR UNIT (CKSRU), KOLKATA

Dry-docks : 172 x 23 x 8 Mtr (2 nos)

#### CSL-ANDAMAN & NICOBAR SHIP REPAIR UNIT (CANSRU), PORT BLAIR

Dry-dock 1 : 88 x 20 x 7 Mtr  
Dry-dock 2 : 68 x 16 x 5 Mtr  
Slipways : 25 x 8 Mtr (5 nos)

### OUR WHOLLY OWNED SUBSIDIARIES

#### HOOGHLY COCHIN SHIPYARD LIMITED (HCSL), KOLKATA

Subsidiary Yard for Inland Vessels  
Slipway : 136 x 40 Mtr  
3 Outfitting Jetties

#### TEBMA SHIPYARDS LIMITED (TSL), MALPE

Subsidiary Yard for Medium Size Vessels  
Slipway : 96 x 22 Mtr



# OUR OFFERINGS

PRODUCT PORTFOLIO CORE



DEFENCE

- Aircraft Carriers
- Next Generation Missile Vessels
- Anti-Submarine Warfare Shallow Water Crafts
- Technology Demonstration Vessel
- Floating Border Outposts Vessels
- Fast Patrol Vessels
- Hydrographic Survey Vessels
- Offshore Patrol Vessels
- Pollution Control Vessels

COMMERCIAL

- Oil Tankers
- Bulk Carriers
- Dredgers
- Pax Vessels
- Tugs
- Special Purpose Vessels
- Deck Cargo/Jacket Launch Barges
- Electric Autonomous Vessels
- Electric Passenger Ferries
- Ro-Ro Vessels
- Ro-Pax Vessels
- Specialised Fishing Vessels
- Marine Ambulance

OFFSHORE

- Platform Supply Vessels
- Anchor Handling/Tug Supply Vessels
- Multi-Purpose Vessels
- Specialised Construction of Support Vessels

- Maintenance and repairs of Aircraft Carriers and other Defence Vessels
- Repairs and maintenance of Tankers, Bulk Carriers, all kinds of Commercial and Specialised vessels
- Oil Rig Upgradation, Repair Projects and Conversions

- Marine Engineering Training
- Strategic and Advanced Solutions



## THE MADE IN INDIA MADE FOR INDIA AIRCRAFT CARRIER

INDIA'S MOST COMPLEX WARSHIP INDIGENOUSLY BUILT BY COCHIN SHIPYARD LIMITED (CSL) FOR THE INDIAN NAVY COMMENCED ITS SEA TRIALS IN AUGUST 2021. THE INDIGENOUS AIRCRAFT CARRIER (IAC) IS THE FIRST AIRCRAFT CARRIER DESIGNED AND BUILT IN INDIA CATAPULTING INDIA INTO AN ELITE LEAGUE OF COUNTRIES CAPABLE OF BUILDING COMPLEX AIRCRAFT CARRIERS. THE CARRIER IS A MINI FLOATING CITY, WITH A FLIGHT DECK AREA COVERING THE SIZE OF TWO FOOTBALL FIELDS WITH APPX. 2,000 KMS OF CABLING AND 120 KMS OF PIPING.

IAC, THE LARGEST WARSHIP BUILT IN THE COUNTRY, IS A TRUE REFLECTION OF THE MAKE IN INDIA AND AATMANIRBHAR BHARAT INITIATIVES OF THE GOVERNMENT OF INDIA.

### IAC STATS

**1,700**  
Crew

**14**  
Decks

**2,300**  
Compartments

### PERFORMANCE

**28** Knots  
Top Speed

**18** Knots  
Cruising Speed

**7,500** Nautical Miles  
Endurance

### DIMENSIONS

**262** M  
Length

**62** M  
Width

**59** M  
Height

**40,000** Tonnes  
Displacement





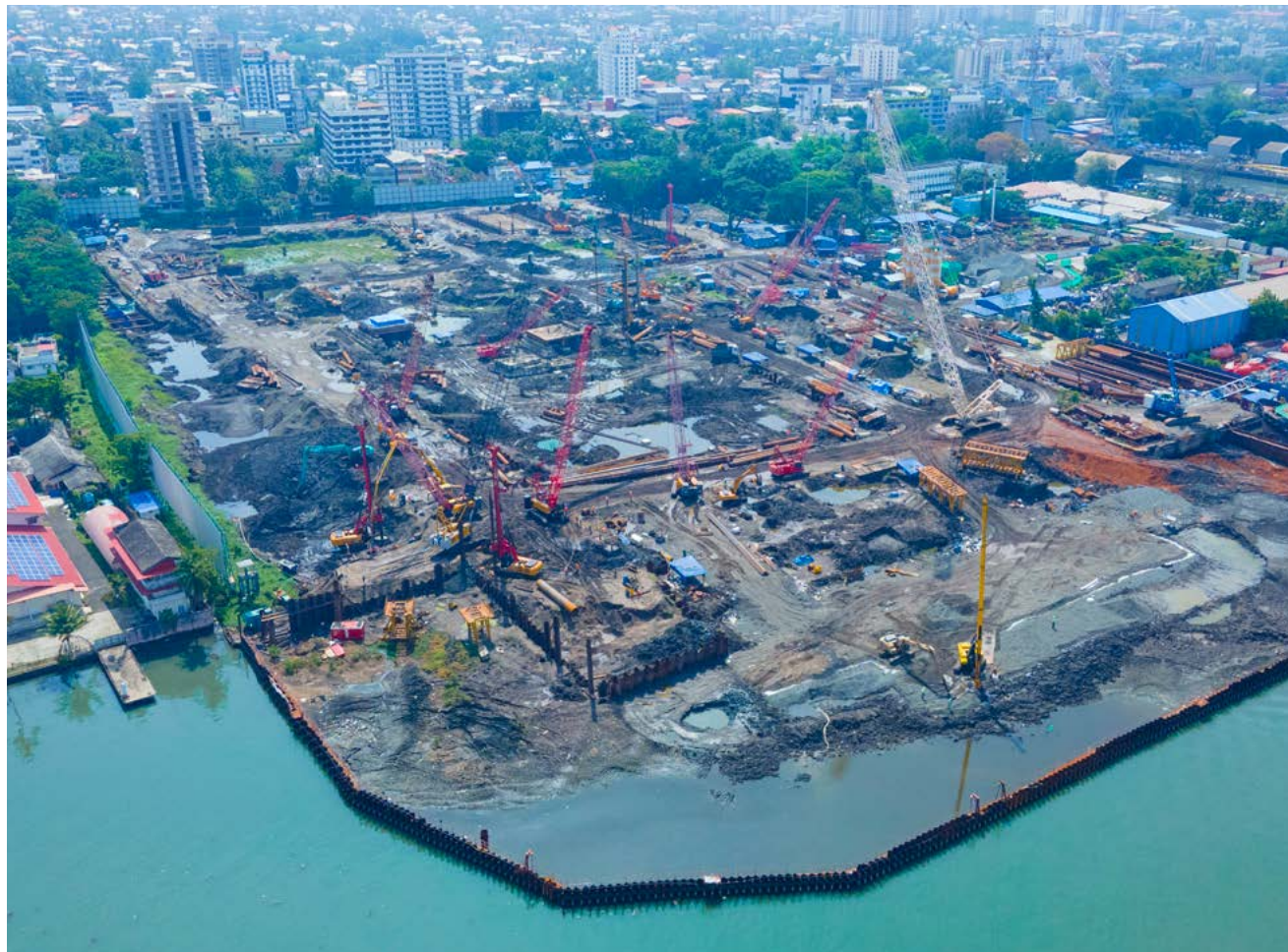
## MAJOR EXPANSION PROJECTS

### NEW DRY-DOCK

CSL is in the process of setting up a New Dry-dock. The New Dry-dock measuring 310 x 75/60 x 13m with a 600T Gantry crane will be capable of handling vessels upto Suezmax, Aircraft Carriers of 70000T displacement, Jack-up rigs, LNG vessels etc.

#### HOW WE ARE PROGRESSING

The construction activities commenced in June 2018 is progressing despite the setbacks caused by COVID-19 pandemic. Ground improvement works, cofferdam works, dock wall sheet pile installation works has been completed. Further, around 70% of RCC piling have also been completed. The facility is targeted to be commissioned in FY 2022-23.



### INTERNATIONAL SHIP REPAIR FACILITY (ISRF)

The ISRF will modernise and expand the existing ship repair facility in CSL. The ISRF includes 6000T shiplift for ships upto 130 x 25 m with six work stations and allied facilities. It has a total outfitting berth of 1500 meters approx.

#### HOW WE ARE PROGRESSING

The construction works of ISRF project, which commenced in November 2017, is progressing despite the setbacks caused by COVID-19 pandemic. 100% piling work and more than 87% of the deck concreting work have been completed. The facility is expected to be commissioned in the latter part of the calendar year 2022.



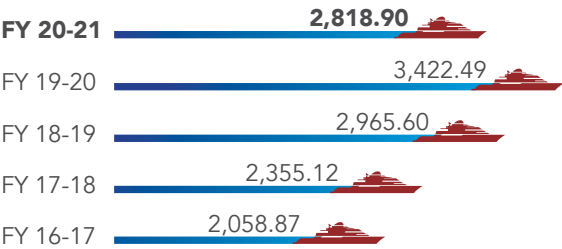


SUSTAINING  
PERFORMANCE  
AMIDST CHALLENGES

FINANCIAL PERFORMANCE

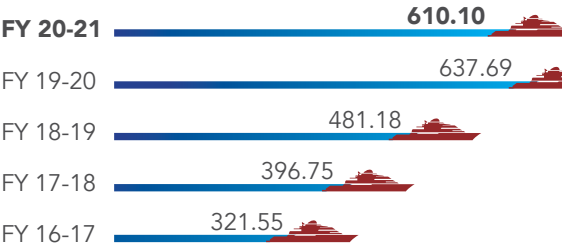
TURNOVER

(₹ in Crores)



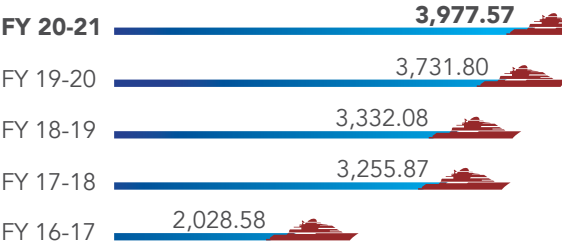
PAT

(₹ in Crores)



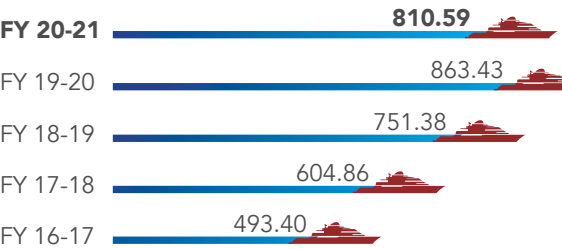
NET WORTH

(₹ in Crores)



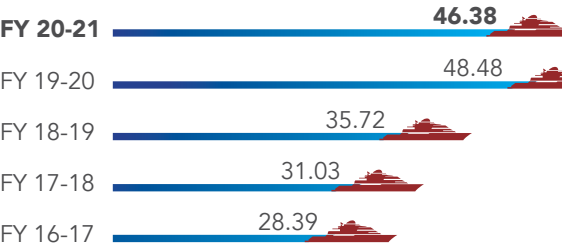
PBT

(₹ in Crores)



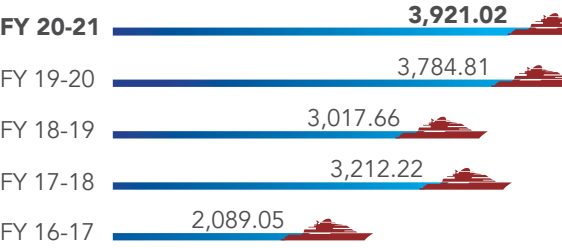
EPS

(₹)



CAPITAL EMPLOYED

(₹ in Crores)



10-YEAR PERFORMANCE HIGHLIGHTS

Key Indicators	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
EPS (₹ per share)	46.38	48.48	35.72	31.03	28.39	24.07	20.75	17.15	16.35	15.21
Face Value Per Share (₹)	10	10	10	10	10	10	10	10	10	10
EBDIT/ Gross Turnover (%)	32.43	27.95	26.97	27.76	26.35	23.52	22.81	20.37	20.45	20.21
Net Profit Margin %	21.64	18.63	16.23	16.85	15.62	13.73	12.64	11.75	11.92	12.27
Return on Net Worth %	15.34	17.09	14.44	12.19	15.85	15.09	15.06	14.15	15.76	16.40
Return on Capital Employed %	15.56	16.85	15.94	12.35	15.39	16.15	14.50	13.97	19.08	18.76

(₹ in Crores)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Turnover	2818.90	3422.49	2965.60	2355.12	2058.87	1993.45	1859.51	1652.66	1554.16	1404.85
Total income	3012.76	3669.99	3192.89	2544.28	2217.50	2107.37	1952.97	1728.64	1642.33	1481.54
Profit Before Tax (PBT)	810.59	863.43	751.38	604.86	493.40	419.65	367.56	290.96	275.55	252.97
Depreciation & write offs	53.07	48.73	34.16	37.51	38.51	37.19	38.33	26.43	19.22	18.07
Profit After Tax (PAT)	610.10	637.69	481.18	396.75	321.55	273.79	235.07	194.24	185.27	172.33
Equity Share Capital	131.54	131.54	131.54	135.94	113.28	113.28	113.28	113.28	113.28	113.28
Reserves & Surplus	3846.03	3600.25	3200.54	3119.93	1915.30	1701.05	1447.79	1239.25	1062.42	898.41
Net Worth	3977.57	3731.80	3332.08	3255.87	2028.58	1814.33	1561.07	1352.53	1175.70	1050.83
Gross Fixed Assets	903.96	853.82	426.69	369.79	357.72	569.53	636.84	602.38	444.35	376.73
Net Fixed Assets	698.41	696.54	313.03	284.47	302.85	296.44	377.44	383.41	247.30	192.61
Number of Employees	1727	1710	1744	1781	1829	1671	1786	1751	1656	1900



## PERFORMANCE HIGHLIGHTS OF THE YEAR

**July 15, 2020**

Signed contracts with ASKO Maritime AS, Norway for construction of 2 Autonomous Electric Ferry with an option to build two more identical vessels.

**August 24, 2020**

Plate cutting of the aluminium hull of the hybrid electric passenger boats for Kochi Metro in the presence of Shri Alkesh Kumar Sharma IAS, MD, KMRL and Shri Madhu S Nair, CMD, CSL.

**August 27, 2020**

Delivery and Flag-off of 1 Marine Ambulance Boat for Department of Fisheries, Government of Kerala by Shri Pinarayi Vijayan, Hon'ble Chief Minister of Kerala through Video Conferencing.

**September 28, 2020**

CSL delivered 2 RO-RO Vessels for Inland Waterways Authority of India (IWAI).

**October 07, 2020**

Certified for GreenCo Silver Rating by the Confederation of Indian Industry (CII), becoming the first company in the Shipping Sector to bag GreenCo Rating.

**October 27, 2020**

CSL signed MoU with M/s. Fincantieri, Italy for co-operation in the areas of design, shipbuilding, ship repair, marine equipment manufacturing, besides training & skill development.

**November 12, 2020**

Launched 2 8000 DWT Mini General Cargo Ships for JSW Shipping & Logistics Private Limited by Smt. Rameetha K, Scientist 'G', NPOL (DRDO) w/o. Shri Madhu S Nair, CMD, CSL.

**November 12, 2020**

Launched 3 Floating Border Outpost Vessels for Border Security Force (Ministry of Home Affairs) by Smt. Rameetha K, Scientist 'G', NPOL (DRDO) w/o. Shri Madhu S Nair, CMD, CSL.

**November 12, 2020**

Keel laying of 2 8000 DWT Mini General Cargo Ships for JSW Shipping & Logistics Private Limited by Shri Madhu S Nair, CMD, CSL.

**November 25, 2020**

Plate Cutting of 2 ASKO Autobarge SP for M/s. ASKO Maritime AS, Norway jointly by Mr. Torbjorn Johannsan, Chairman of the Board of ASKO and Shri Suresh Babu N V, Director (Operations), CSL.

**November 30, 2020**

Successful completion of Basin Trials of Indigenous Aircraft Carrier (IAC) in the presence of Vice Admiral AK Chawla, PVSM, AVSM, NM, VSM, ADC, Flag Officer Commanding-in-Chief, Southern Naval Command and Shri Madhu S Nair, CMD, CSL.

**December 01, 2020**

Steel cutting of 1 Anti-Submarine Warfare Shallow Water Craft for Indian Navy by Vice Admiral G Ashok Kumar, PVSM, AVSM, VSM, Vice Chief of Naval Staff.

**December 23, 2020**

CSL signed MoU with Hooghly Cochin Shipyard Limited (HCSL), a wholly owned subsidiary of CSL, for the effective utilisation of resources and infrastructure facilities available at CSL Kolkata Ship Repair Unit and HCSL.

**January 28, 2021**

Vessel delivery and Flag-off of 2 Marine Ambulance Boats for Department of Fisheries, Government of Kerala by Smt. J Mercykutty Amma, Hon'ble Minister of Fisheries, Harbour Engineering and Cashew Industry, Government of Kerala.

**February 14, 2021**

Inauguration of new Marine Engineering Training Institute, 'Vigyana Sagar' of CSL by Shri Narendra Modi, Hon'ble Prime Minister of India.

**February 24, 2021**

CSL signed MoU with Dredging Corporation of India and IHC Holland BV, in the presence of Shri Mansukh L Mandaviya, Minister of State (I/C) for Ports, Shipping and Waterways, to make world-class dredgers.

**February 26, 2021**

CSL signed MoU with Robert Allan Limited, Canada for Design and Consultancy services for Tugs, Inland Vessels, Harbour Crafts and Specialized Vessels.

**March 05, 2021**

Commencement of block fabrication of 3 Anti-Submarine Warfare Shallow Water Crafts for Indian Navy.

**March 27, 2021**

CSL delivered 1 500 Pax passengers cum 150 Tons Cargo Vessel named 'Sindhu' for Andaman and Nicobar Administration.

**March 31, 2021**

Launched 1 Hybrid Electric Passenger Boat for Kochi Metro in the presence of Shri Alkesh Kumar Sharma IAS, MD, KMRL and Shri Madhu S Nair, CMD, CSL.





## CHAIRMAN'S ADDRESS



### Dear Shareholders,

It is my pleasure to present to you the Annual Report FY 2021 for Cochin Shipyard Limited (CSL). The year under review has been extremely difficult for humanity and economies at large. With global GDP shrinking, businesses across the world encountered many challenges. The coronavirus pandemic has left businesses to grapple with a complex range of problems – of supply-chain and logistical disruptions, cash realisation issues etc. With various measures like enforcing containment measures, constantly rearranging operations, keeping a tight leash on cash, curtailing on discretionary spend etc., companies have tried to adapt to the changing market dynamics – the New Normal.

### YEAR IN REVIEW

It has been a difficult year for CSL as well. As the year commenced with unfortunate breakout of the virus, numerous containment measures were implemented, that included social distancing, remote working, and the shutdown of operations. This left an impact in first quarter of the fiscal, but we managed to sail through the crisis by focusing on operating with agility and developing effective response strategies.

With effect from May 06, 2020, the Company resumed its operations at the main Yard at Kochi with entire permanent workforce. We had to

# 2,819

Revenue from operations  
(₹ in Crores)

# 610

PAT  
(₹ in Crores)

*"In August 2021, the CSL built Indigenous Aircraft Carrier (IAC) proceeded for her maiden sea trials thereby making India join a select group of nations in the world to have developed an aircraft carrier indigenously."*

rearrange our entire operations in two shifts with some overlaps. This transformation was quite challenging for us not having operated in this mode for over three decades. Taking such adversities in our stride, we explored new possibilities and chartered pathways towards sustainable growth.

### FINANCIAL PERFORMANCE

Speaking in terms of financials, our revenue from operations registered a figure of ₹2,819 crores. Profit after tax (PAT) clocked a figure of ₹610 crores, compared to ₹638 crores in the previous year. Had it not been a pandemic year, we would have expected higher operating revenue on the back of our Pan India operations. Regardless of this fact, our PAT margin stood at a healthy 21.64% for the year as against 18.63% for the previous year. On the liquidity front, we have remained strong. Although there has been difficulties in collecting receivables from a few customers on account of the pandemic, the liquidity position of the Company remained unaltered. In March 2021, our credit rating with respect to long term borrowings was upgraded to AAA from AA+ by CARE, which shows the exceptional liquidity strength of CSL. This positions us to avoid any foreseeable impact from debt servicing. In totality, CSL stands well-equipped to weather the crisis.

### ACHIEVEMENTS

During the year, CSL delivered 13 vessels viz., 500 Pax Vessel for A&N Administration, Ro-Ro Ferries for IWAI, Marine Ambulance Boats for Fisheries Department of Government of Kerala, Specialised Fishing Boats for the beneficiaries of Tamil Nadu and Brows and Pontoons for Indian Navy. CSL also delivered one of the 4 nos. of Mini Bulk Carrier to JSW Shipping & Logistics Private Limited in May 2021.

In August 2021, the CSL built Indigenous Aircraft Carrier (IAC) proceeded for her maiden sea trials thereby making India join a select group of nations in the world to have developed an aircraft carrier indigenously. During the sea trials, the propulsion plants were put to rigorous testing at the sea in addition to the trials of various navigation communication and hull equipment. The successful completion of the first round of sea trials during these difficult times is a landmark achievement for CSL as well as for the entire nation.

CSL in its commitment to adhere to sustainable business practices earned the distinction of becoming the first company in the Shipping sector to be certified by Confederation of Indian Industry (CII) for the 'GreenCo' certification with a Silver rating. The GreenCo silver rating is expected to pave the way for CSL to put up a strong long-term roadmap for ecologically sustainable business growth.



# CHAIRMAN’S ADDRESS

## EXPANSION PLANS

CSL is in the process of executing two of its major expansion projects viz., the New Dry-dock and ISRF. Unfortunately, due to the COVID-19 pandemic the works under both the projects could not gather pace as planned. Further, on the ISRF project, the turnkey contractor has faced financial challenges due to reasons elsewhere, and this has impacted the progress on the project. However, despite the above, 100% marine piling works and more than 87% of the deck concreting works have been completed and various industrial buildings are in the advanced stages of completion. The facility is expected to be commissioned during the latter part of calendar year 2022. With respect to the New Dry-dock project, around 70% of RCC piling have been completed. Further, ground improvement works, cofferdam works, dock wall sheet pile installation works has also been completed. Though there are still difficulties, we retain target to complete the project by December 2022.

Since the past two years, CSL has been expanding to the west and east coast lines of India and has set up Ship repair units at Mumbai, Kolkata and Port Blair. During the year the pandemic had affected the operations in ship repair units and Mumbai unit could undertake repairs of 20 vessels and the Kolkata unit had undertaken 3 projects. The process of positioning the manpower to ramp up operations in the ship repair units is underway. The initial set of executives have been positioned at Port Blair

for developing the ship repair eco system and we expect to commence operations at Port Blair soon.

During September 2020, CSL took over Tebma Shipyards Limited (TSL) through the statutory insolvency resolution process, making it the second wholly owned subsidiary of CSL. Post takeover, the initial set of personnel has been positioned for resuming operations and the process of recruiting the necessary manpower is progressing well. The process of revamping the infrastructure facilities of TSL at Malpe is at the advanced stage and the Hangakatta facility has been made operational since end July 2021. TSL is a compact yard best suited to build specialised small and medium sized vessels and CSL expects to penetrate new markets through TSL.

CSL’s other wholly owned subsidiary viz., Hooghly Cochin Shipyard Limited sailed through its project phase with only marginal delays. Despite the pandemic difficulties, and problems created by the cyclones, the new yard construction at the Nazirgunge unit of HCSL is in the final stages and will be ready for operations in September 2021. The yard is designed to deliver high quality, niche vessels for inland waterways. It is expected that the efforts being made by the Government of India/ Inland Waterways Authority of India (IWAI) will spur new growth avenues in this segment.

Aligning with Company’s long term strategy, a dedicated division named Cochin Shipyard Strategic

and Advanced Solutions (C-SAS) was formed to tap new revenue generation streams beyond the current Shipbuilding & Ship Repair portfolios and to enable CSL venture into the arena of strategic and knowledge driven future technologies in the maritime sector. The core activities of Shipbuilding & Ship Repair will remain with focused efforts on increased operational efficiencies and revenues, the new stream(s) would augment revenue generation possibilities further.

All these initiatives in shipbuilding and ship repair, the geographical expansion and formation of C-SAS has been in-line with the Company’s long term strategic exercise viz., CRUISE 2030 which we have undertaken along with the Boston Consulting Group who have been with us over the last two years. The association with BCG enabled us to work together on various trajectories and identify new business verticals for growth.

## CORPORATE GOVERNANCE

The Company continued to comply with good corporate governance practices. The Company complies with the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and also the Guidelines on Corporate Governance issued by the Department of Public Enterprises, except with respect to the composition of Board of Directors viz., appointment of Independent

*“During the year the Company shifted its 27 year old Marine Engineering Training Institute to a new **70,000 sq. ft. Knowledge and Skill Development Centre ‘Vigyana Sagar’, which is spread across 3.5 acres land.**”*

Directors including a Woman Director and consequent compliances related to Statutory Committees. CSL being a government company, the power to appoint Directors vests with the Government of India and the Company has provided necessary intimations to the Administrative Ministry for filling up the post of Independent Directors including a Woman Director. We hope to have the Independent Directors soon after which the Statutory Committees will also be re-constituted. The Company also submits its quarterly progress reports on corporate governance within 15 days from the close of each quarter to the Ministry of Ports, Shipping and Waterways as recommended by the DPE in this regard. The Report on Corporate Governance forms part of the Directors’ Report.

## HUMAN RESOURCE DEVELOPMENT

People have been a great strength in our Company, and we constantly look for ways to develop their skillsets and help them advance in careers. Besides, their health and welfare have also been a great concern for us. During the pandemic, we enforced strict health measures in all operational areas. Despite the fact that several COVID cases surfaced in our operational course, mostly from Kerala, we tackled the situation effectively and provided best treatment for our employees.

In the new normal business scenario, the training and development

programs to the workforce were conducted on virtual medium. At a time when the COVID-19 pandemic forced the institutes to cut down on programs, the Company nominated its employees to various online training programs. These include training on ISO 45001:2018, various Management Development Programs (MDP), programs covering topics like “Mergers, Acquisitions and Restructuring”, “Contract Management”, “Balancing Operational Focus with Risk Management” and various other programs conducted by leading institutes like IIM’s, ISB and technical programs like “Hydrodynamics in Ship Design”, conducted by reputed institutes like MARIN, Amsterdam. The employees were also given customised internal and external trainings during the year.

During the year, the Company shifted its 27 year old Marine Engineering Training Institute to a new 70,000 sq. ft. Knowledge and Skill Development Centre ‘Vigyana Sagar’, which is spread across 3.5 acres land. The Hon’ble Prime Minister of India, Shri Narendra Modi dedicated ‘Vigyana Sagar’ to the nation on February 14, 2021. The facilities would also be used for internal training to the Company’s work force.

As part of the ‘Skill India’ initiatives, CSL on a yearly basis trains close to 200 Graduates and Diploma holders in Engineering, and Vocational streams, 300 ITI trade apprentices from the various Industrial Training Institutes every year under the Apprentices Training Scheme.



# CHAIRMAN’S ADDRESS

## INDUSTRIAL RELATIONS

In March 2021, the referendum for recognizing trade unions was conducted in CSL, therein 2 unions namely Cochin Shipyard Employees Federation (CSEF) and Cochin Shipyard Employees Organisation (CSEO) have secured the recognition status as per the norms stipulated for recognition. The recognized trade unions continued to exhibit their true allegiance to the enhanced productivity and economic sustainability of the Company and the industrial relations climate remained cordial throughout the year. Employees and their dependents welfare and wellbeing were also well taken care through various voluntary schemes.

## RESEARCH AND DEVELOPMENT (R&D)

CSL constantly engage in industrial research, experimental development and process innovation in order to improve existing products, processes and services and to expand our knowledge base to support our entry into promising new market sectors worldwide. During the year, in-house R&D activities have been undertaken mainly in the areas of welding procedure development and qualification of welders.

## INTEGRATED MANAGEMENT SYSTEM

CSL maintained its Integrated Management System (IMS) under the ISO 9001:2015 Quality Management

System and ISO 14001:2015 Environmental Management System standards. CSL upgraded its Health and Safety Management System to the latest ISO 45001:2018 in September 2020.

## CORPORATE SOCIAL RESPONSIBILITY

During the year, the Company has spent ₹15.27 crores against the target mandatory CSR spending of ₹14.80 crores. The Company focused on the theme “Healthcare and Nutrition” as prescribed by the Government of India and spent around 59% of its total CSR funds under 48 projects. Further, in the aspirational district of Wayanad, CSL has committed 8 projects, predominantly for the benefit of the tribal community with a total budget of ₹244.00 lakhs, which are at various stages of implementation and during the year an amount of ₹71.00 lakhs have been disbursed.

## COMBATING COVID-19

We strive to create a difference in the community and the environment surrounding us. In response to COVID-19 and rising demand for medical assistance, Cochin Shipyard has allocated Rs. 50 lakhs towards installation of Centralized Oxygen Distribution Facilities at five Government Hospitals in Kerala. We remain committed to supporting community come out stronger against COVID-19 and constantly look for ways to empower them to the best

of our abilities. We also conducted vaccination drive to all our employees including their family members and to the community around our main Yard at Kochi and extended all support to assist the community to tide over these testing times.

## ACCOLADES

The Company continued its exceptional performance with reference to the MOU parameters set by GOI for the year 2020-21. However, the final rating under the MOU is yet to be received. The efforts of the Company in various fields were also recognised by the society/authorities in the form of awards inter alia including the ‘Roll of Honour’ award instituted by the Dalal Street Investment Journal for the fastest growing ‘Miniratna’ manufacturing company for the year, Safety award from Factories & Boilers Department, Government of Kerala under the category of very large factories in engineering, automobile, textile and coir, CSR Leadership Award 2021 and various awards for implementation of official language.

## OUTLOOK

On our organic front, we have aimed towards subtle transformations in the organization. Recently, we structured a new division, named C-SAS (Cochin Shipyard Strategic and Advance Solutions), in an attempt to diversify from our predominant segments of shipbuilding and ship repairs. We look forward to this newer technology sector with high potential in electric

*“Initiatives like ‘Make in India’ and ‘Aatmanirbhar Bharat’ are also forging new avenues to our business. We concluded a comprehensive MoU with the Fincantieri Group of Italy which is a leading shipbuilding technology group in Europe, covering various potential areas of long-term cooperation.”*

mobility, since we are the forerunners in electric mobility within the Marine space.

Initiatives like ‘Make in India’ and ‘Aatmanirbhar Bharat’ are also forging new avenues to our business. We concluded a comprehensive MoU with the Fincantieri Group of Italy which is a leading shipbuilding technology group in Europe, covering various potential areas of long-term cooperation. I am very happy to inform the association with M/s. IHC Holland, which is the world’s number one dredger technology company, to build dredgers in CSL for the Indian market under the ‘Aatmanirbhar Bharat’ initiative. We have also entered into an MOU with the reputed Tug and workboat designer M/s. Robert Allan, Canada, whose vessels often set the benchmark in the segment.

On our shipbuilding front we have an order book of around ₹11,700 crores. Further, CSL has emerged L1 in the 6 vessel tender from the Indian Navy for the Next Generation Missile Vessels worth about ₹10,000 crores and the formal contract signing

tall and tided over adversities which enabled the Company to grow from scratch to a multilocal Company with global customer following. CSL has performed well in extremely challenging and competitive business environment by portraying its competitive advantage and capabilities. I have been fortunate to have associated with CSL right from the start of my career and to grow along with the Company. At this stage of its journey, I am extremely happy that CSL is in a subtle transformation targeting sustained growth, exploring new technology avenues with a well-crafted strategic plan.

I take this opportunity to acknowledge the efforts of my fellow Board members and the senior management team for their commitment and support in steering the organisation in the right direction. I also thank the Ministry of Ports, Shipping and Waterways, other offices of the Government of India, Governments of Kerala, West Bengal, Maharashtra, Karnataka and the Andaman and Nicobar Administration for their continued support. I remain grateful towards our shareholders, customers and all our employees for bestowing us with all your trust and support.

*Thanking You*

**Jai Hind**

**Madhu S Nair**  
Chairman & Managing Director  
DIN: 07376798



## BOARD OF DIRECTORS



**SHRI MADHU S NAIR** assumed charge as the Chairman & Managing Director of the Company on January 01, 2016. He holds a degree of Bachelor of Technology (Naval Architecture and Ship Building) from Cochin University of Science & Technology in first class and Masters in Engineering (Naval Architecture and Ocean Engineering) from Osaka University, Japan. He has more than 33 years of professional experience with the Company since joining as Executive Trainee in June 1988 in the entire gamut of Shipyard management. He was the key driver in forging alliances with international technology partners. He was also instrumental in conceptualizing the Small Ship Division and key player in bagging international contracts while he was heading the Marketing Division. Under his leadership, CSL became a listed company after a very successful Initial Public Offer. During his tenure, CSL is undertaking two major expansion projects worth ₹ 2,769 crores. Also CSL is making foray into the Inland waterways transport vessel segment and small/medium sized specialized vessels segment by setting up wholly owned subsidiaries at Kolkata and Malpe. CSL has forged alliance with the Major Port Trusts in India viz., Mumbai Port Trust and Kolkata Port Trust for developing and operating

Ship Repair ecosystems and setting up separate units in those ports. CSL also established a unit at Port Blair. He is trained in shipbuilding systems at IHI Shipyard at Kure, Japan and undergone JICA Specialized training at Overseas Vocational Training Centre (OVTA), Tokyo and Osaka International Centre, Osaka, Japan and did research in Joining & Welding Research Institute, during Masters in Engineering at Osaka University, Japan. He is a member of various Professional bodies including The Royal Institution of Naval Architects, UK (RINA), Institution of Naval Architects, India and is presently serving as the President of Indo Japan Chamber of Commerce Kerala (INJACK). He is a strong believer in power of people and the "people first policy" conceived by him is aimed at steering CSL into a knowledge organization. He is also the Chairman of Hooghly Cochin Shipyard Limited and Tebma Shipyards Limited, the wholly owned subsidiaries of CSL.



**SHRI BEJOY BHASKER** assumed charge as the Director (Technical) of the Company on April 05, 2018. He holds a Degree of Bachelor of Technology (Mechanical) from the University of Kerala with First Rank and Gold Medal. He also holds a Degree of Master of Technology

(Mechanical) from the Indian Institute of Technology, Madras. He has completed Advanced Diploma in Management from Indira Gandhi National Open University. He joined the Company on June 29, 1988 as an executive trainee. He was awarded the "Manager of the Year" award in 2014 by Kerala Management Association. He has more than 33 years of work experience with the Company wherein he was involved in Ship Design, Ship Building, Outfit and Ship Repair divisions of the Company. He is also a Director in Hooghly Cochin Shipyard Limited and Tebma Shipyards Limited, the wholly owned subsidiaries of CSL.



**SHRI JOSE V J** assumed charge as Director (Finance) and Chief Financial Officer of the Company from August 2019. He is a member of the Institute of Cost Accountants of India and also holds a degree in Law from Government Law College, Ernakulam. He has approximately 30 years of work experience across diverse field viz., financial management, strategic planning, risk management, forex management, budgeting and cost control. He is also heading the Information Systems Department of the Company. He is also a Director in Hooghly Cochin Shipyard Limited and Tebma Shipyards Limited, the wholly owned subsidiaries of CSL.



**SHRI SANJAY BANDOPADHYAYA IAS** is a Part Time Official (Nominee) Director of the Company representing Ministry of Ports, Shipping and Waterways, Government of India from February 03, 2020. He is a 1988 Batch IAS Officer of Madhya Pradesh Cadre. He is presently posted as Additional Secretary to Government of India, Ministry of Ports, Shipping and Waterways and is entrusted with all policies, operations and development work related to Ports, Shipping, Shipbuilding & recycling, International Co-operation and Treaties, Aid-to-navigations etc. As Additional Secretary he co-ordinated the passing of the Recycling of Ships Bill 2019 and ratification of the Hong Kong Convention. He is also co-ordinating the drafting of the new Merchant Ship Bill, Aid-to-navigation Bill and the Indian Ports Bill. He holds a Master degree of Technology in Communications and Radar Engineering from Indian Institute of Technology, Delhi, Bachelor's degree of Engineering in Electronics and Communications and Master of Arts degree in Economics. In the past he held various senior positions in both Central and State governments viz., Principal Secretary to Government of Madhya Pradesh in charge of Dept. of Technical Educational & Skill Development, Chief Executive Officer of National Automotive Testing and

R&D Infrastructure Project (NATRIP), (Under Ministry of Heavy Industries & Public Enterprises), Government of India, Joint Secretary to the Government of India, Ministry of Road Transport & Highways, the Secretary of Energy (Power & Renewable Energy), Government of Madhya Pradesh, the Managing Director of Madhya Pradesh Laghu Udyog Nigam Ltd., the Secretary of Agriculture, Government of Madhya Pradesh, the Member (Finance) of Madhya Pradesh State Electricity Board & Additional Secretary to Government of Madhya Pradesh. He won various prestigious awards viz., the "Platinum Icon Web Ratna Award 2012" for implementing the 'Vahan' vehicle registration and permit system for the best citizen centric service by the Government of India, National Award for e-Governance (GOLD) 2009-10 presented for State School Portal and management through electronic platform, India Tech Foundation 2007 for second Best Reforming State in India in Power Sector.



**SHRI JYOTHILAL K R IAS** is a Part Time Official (Nominee) Director of the Company representing Government of Kerala. He was re-appointed into the Board from August 24, 2020. He holds a degree of Bachelor of Technology

in Chemical Engineering from IIT Chennai. He is an IAS Officer of 1993 batch (Kerala cadre) and served in various departments of the Government of Kerala viz., Land Revenue Management and District Administration, Fisheries/Agriculture & Co-operation, Information Technology, Food, Civil Supplies & Consumer Affairs etc. He is currently posted as Principal Secretary (Transport), Government of Kerala.



# OUR PEOPLE

## HR VISION

Emanating from the goals and objectives enshrined in the corporate mission statement, the strategic HR vision of the Shipyard is to strive and create a unique institution that integrates creativity, innovation, technology, business and good corporate governance practices for all round improvement of the quality of work life of the Yard's workforce.

## HR MISSION

To provide a vibrant platform for all those working in the yard to give their best and ensure all round growth both for the individual and organization.

## HR POLICY

HR policies are oriented towards providing the right mix of human resources, their empowerment and enrichment so as to meet organizational targets and results.

## TARGET

To plan for, introduce/implement HR policies based on performance that would ensure growth, recognition, rewards, motivation, competence building, commitment and healthy employer-employee relations.

## CSL APPROACH

Cochin Shipyard recognizes that among all resources it is the Shipyard's abundant professional, skilled and trained Human Resources (HR) who have been propelling the Shipyard towards achievement of targets and helping CSL gain a competitive advantage. The HR of CSL forms a very critical part of the Company's business strategy. The HR management system procedures and approach in CSL are designed to maximize employee welfare and performance. The Company focuses on effective management and

development of HR, recruitment, training and development, performance appraisal and rewards. HR is also concerned with the organizational change and maintaining a healthy employer-employee relationship climate in the organization.



## OUR PEOPLE STRENGTH

**1727**  
**397 executives,**  
**156 supervisors**  
**and 1174 workmen**  
**(As on March 31,**  
**2021)**

## CULTURAL COMPETENCIES

Cochin Shipyard has identified the following four cultural competencies for developing an efficient work force



## EMBRACING KNOWLEDGE & AUGMENTING SKILLS

In line with the Company's strong belief of developing knowledge and upgrading skills among the work force and the younger generations, a Knowledge and Skill Development Centre, 'Vigyana Sagar', was set up in an area spread across 3.5 acre with 70,000 sq. ft. campus at a cost of ₹ 27.50 crores. 'Vigyana Sagar' the premium Maritime Learning Centre of the country is aimed at catering to the digital and technological advancements in the field, pre-sea and post-sea maritime training and the regular Graduate Marine Engineering Training programs. 'Vigyana Sagar' will house Cochin Shipyard's Marine Engineering Training Institute, which has completed 27 glorious years of contribution to the training of Marine Engineers. The facilities are also utilised for providing advanced skill development and refresher training programmes to the existing workforce.

'Vigyana Sagar' was dedicated to the nation on February 14, 2021 by Shri Narendra Modi, the Hon'ble Prime Minister of India.



## SAFE, HEALTHY AND CLEAN ENVIRONMENT

## RECOGNITIONS

As an acknowledgement of CSL's environment friendly measures, the Company has been certified GreenCo Silver rating by the Confederation of Indian Industry (CII). The Certification is based on performance evaluation of the Company under various parameters such as Energy Efficiency, Water Conservation, Renewable Energy, Green House Gas Emission, Waste Management, Material Conservation, Recycling and Recyclability, Green Supply Chain, Product Stewardship & Life Cycle Assessment, Innovation for Environment, Green Infrastructure and Ecology. CSL is the first company in the Shipping sector to be certified for the GreenCo Silver rating.

CSL has also won the safety award from Factories & Boilers Department, Government of Kerala under the category of very large factories in engineering, automobile, textile and coir.



## INTEGRATED MANAGEMENT SYSTEM (IMS)

CSL maintained its Integrated Management System (IMS) under the ISO 9001:2015 Quality Management System and ISO 14001:2015 Environmental Management System standards. CSL upgraded its Health and Safety Management System to the latest ISO 45001:2018 in September 2020.



## CORPORATE SOCIAL RESPONSIBILITY

## CSR VISION

Cochin Shipyard Limited in consonance with its corporate vision looks forward to continuing the tradition of being a responsible corporate citizen recognised for the quality of its products and services and respected for its ethical way of conducting business. In this, it endeavours to follow the path of shared inclusive growth, thereby distributing the fruits of its prosperity towards improved quality of life of the society and contributing to environment and nature for sustainable development.



The CMD, CSL handing over keys of Ambulance to Superintendent, General Hospital, Ernakulam. CSL has supported to procure five ambulances for the General Hospital during the year.

## NOTABLE CSR PROJECTS

To augment the facilities for providing oxygen during the COVID-19 pandemic, CSL helped to set up Centralised Oxygen Distribution facilities at five Government Hospitals in Kerala. The system facilitates direct delivery of pressurised oxygen through wall mounted outlets close to the patient's bed.



Subhash Park, a historical landmark in Kochi maintained by CSL under its CSR initiative, which was dedicated to the City by the Hon'ble Mayor (Smt. Soumini Jain), Cochin Corporation in the presence of CMD, CSL.



CSL support to the Family Health Centre Noolpuzha, Wayanad (Aspirational District) - ensuring improved quality in the primary health care sector.



"Thalir" - one of the four anganwadis provided by CSL in the Aspirational District, Wayanad, a CSR initiative much appreciated at National level.



<h1>59</h1> <p>No. of CSR Projects Completed in FY 2021</p>	<h1>66</h1> <p>No. of Ongoing Projects</p>
-------------------------------------------------------------	--------------------------------------------

66

# 15.27

Amount spent for CSR during  
FY 2021 (₹ in Crores)



CORPORATE INFORMATION

BOARD OF DIRECTORS

**SHRI MADHU S NAIR**  
Chairman & Managing Director

**SHRI BEJOY BHASKER**  
Director (Technical)

**SHRI JOSE V J**  
Director (Finance) and  
Chief Financial Officer

**SHRI SANJAY  
BANDOPADHYAYA IAS**  
Additional Secretary  
Ministry of Ports, Shipping and  
Waterways, Govt. of India  
Part Time Official (Nominee) Director

**SHRI JYOTHILAL K R IAS**  
Principal Secretary (Transport)  
Govt. of Kerala  
Part Time Official (Nominee) Director

CHIEF VIGILANCE OFFICER

**SHRI K RAJENDRAN**

MANAGEMENT TEAM

**SHRI MURUGAIAH M**  
Chief General Manager (Tech)

**SHRI SREEJITH K N**  
Chief General Manager (Ship Repair)

**SHRI NEELAKANDHAN A N**  
Chief General Manager (Planning &  
Project Management)

**SHRI SURESH KUMAR A V**  
General Manager (Training)

**SHRI RAJESH GOPALAKRISHNAN**  
General Manager  
(Strategy & New Projects)

**SHRI HARIKRISHNAN S**  
General Manager (Materials)

**SHRI ELDHO JOHN**  
General Manager (Infra Projects)

**SHRI SUBRAMANIYA PILLAI R**  
General Manager (U&M)

**SHRI SIVAKUMAR A**  
General Manager (Ship Building)

**SHRI SUNIL KUMAR K R**  
General Manager (IAC)

**SMT. ANJANA K R**  
General Manager (Design)

**SHRI JAYAN K THAMPI**  
General Manager  
(Ship Repair-Mumbai)

**SHRI SHIRAZ V P**  
General Manager  
(IAC-Project Management)

**SHRI SIVARAM NARAYANA SWAMY**  
General Manager (Business  
Development-Ship Building)

**SHRI SUBASH A K**  
General Manager (Human Resource)

**SHRI SYAMKAMAL N**  
Company Secretary &  
Compliance Officer

REGISTERED OFFICE

Cochin Shipyards Limited Administrative  
Building  
Cochin Shipyards Premises  
Perumanoor, Kochi – 682015  
Kerala, India

BANKERS

State Bank of India | Canara Bank | Union  
Bank of India | IDBI Bank |  
Axis Bank

STATUTORY AUDITORS

M/s. Elias George & Co.  
Chartered Accountants  
38/1968 A, EGC House  
HIG Avenue West End  
Gandhi Nagar, Kochi – 682 020

SECRETARIAL AUDITORS

M/s. Mehta & Mehta  
Company Secretaries  
201-206, Shiv Smriti, 2nd Floor, 49/A Dr.  
Annie Besant Road  
Above Corporation Bank, Worli  
Mumbai – 400 018

COST AUDITORS

M/s. K A Felix & Co.  
D31/670, Parvathy Nilayam  
Opp. Welcare Hospital, Vyttila P.O  
Ernakulam – 682 019

DEBENTURE TRUSTEES

SBICAP Trustee Company Ltd.  
6th Floor, Apeejay House, 3  
Dinshaw Wachha Road, Churchgate  
Mumbai – 400 020

REGISTRAR & TRANSFER  
AGENTS

Link Intime India Pvt. Ltd.  
Surya, 35, Mayflower Avenue  
Behind Senthil Nagar  
Sowripalayam Road  
Coimbatore – 641 028

DIRECTORS’ REPORT

Dear Shareholders,

1. Your Directors have pleasure in presenting the 49th Annual Report of your Company along with the audited financial statements for the year ended March 31, 2021.

Financial Performance

2. Your Company posted yet another year of impressive performance despite various constraints due to COVID-19 pandemic and when the shipbuilding market scenario remaining lackluster. Diversified operational segments and product profile helped the Company to achieve a turnover of ₹2,818.90 crores for the year as compared to ₹3,422.49 crores in the year 2019-20. The profit before tax is ₹810.59 crores for the year as against ₹863.43 crores in the previous year. The net profit is ₹610.10 crores as compared to ₹637.69 crores for the previous year.

3. The authorised share capital of the Company is ₹2,50,00,00,000/- divided into 25,00,00,000 equity shares of face value of ₹10/- each. The paid up share capital of the Company is ₹1,31,54,03,900/- divided into 13,15,40,390 equity shares of face value of ₹10/- each.

Financial Highlights

		₹ Crores	
Sl. No.	Particulars	2020-21	2019-20
(i)	Gross Income	3,012.76	3,669.99
(ii)	Profit before finance cost, depreciation & tax	914.13	956.75
(iii)	Finance costs	50.47	44.59
(iv)	Depreciation & write off	53.07	48.73
(v)	Profit Before Tax	810.59	863.43
(vi)	Tax Expense	200.49	225.74
(vii)	Net profit	610.10	637.69

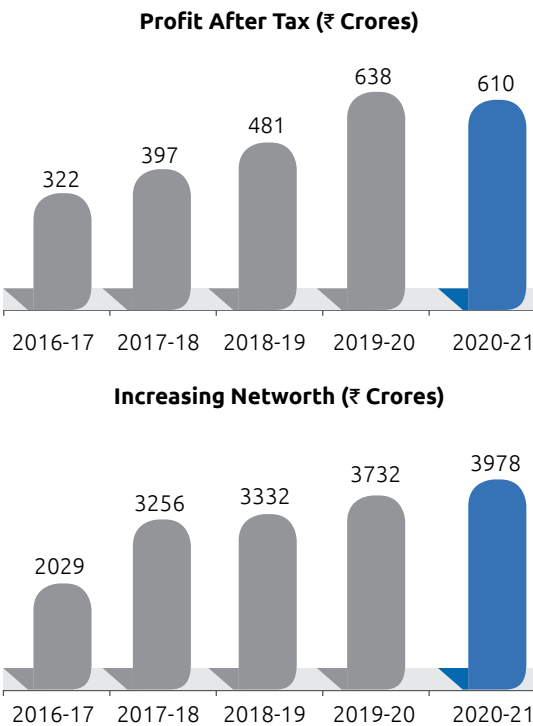
Dividend

4. As per Office Memorandum F.No.5/2016-Policy dated May 27, 2016 issued by Department of Investment and Public Asset Management (DIPAM), every CPSE have to pay a minimum annual dividend of 30% of PAT or 5% of the networth, whichever is higher. Accordingly, your Directors are

pleased to recommend a final dividend of ₹2.50/- per share on the 13,15,40,390 fully paid equity shares of ₹10/- each. Earlier, interim dividends of ₹9/- and ₹4/-, aggregating ₹13/- per equity share had been paid to the shareholders during 2020-21. Thus, the total dividend for the year 2020-21 is ₹15.50/- per equity share (155%), amounting to ₹203.89 crores. No unclaimed dividend (previous years) is due to be transferred to the Investor Education and Protection Fund (IEPF).

Dividend Distribution Policy

5. As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the top 1000 listed entities shall formulate a dividend distribution policy. Accordingly, dividend distribution policy has been adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining the profit into the business. The policy is available on the website of the Company at the link <https://www.cochinshipyard.in/uploads/coporate/1776176ff06b7942265b7265e3f6bd97.pdf>





### Transfer to Reserves

6. No amount has been transferred to Reserves for the financial year 2020-21. As per the amendment made to the Companies (Share Capital and Debentures) Rules, 2014 notified vide Notification No. G.S.R. 574(E) by the Ministry of Corporate Affairs, the Company is not required to create Debenture Redemption Reserve in respect of the bonds issued by it. As on March 31, 2021, the Company has Reserves and Surplus amounting to ₹3,846.03 crores which reflects the inherent financial strength of the Company.

### Contribution to Exchequer

7. The total contribution made during the year by way of income tax, customs duty, GST, service tax, KGST/KVAT and dividend was around ₹504.43 crores.

### Shipbuilding

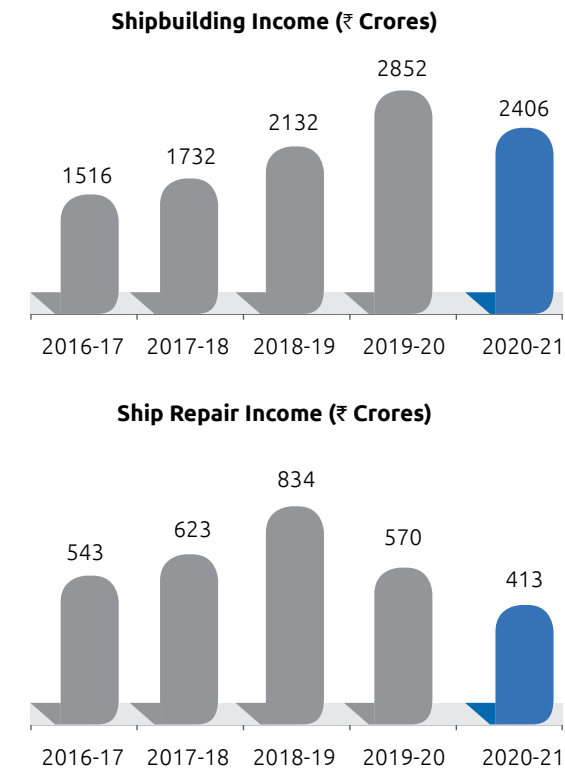
8. The Company achieved a total shipbuilding income of ₹2,405.60 crores during 2020-21 as against ₹2,852.27 crores in 2019-20. During the year 2020-21, CSL delivered one no. of 500 Passenger cum 150 MT Cargo Vessel for Andaman and Nicobar Administration, two nos. of Ro-Ro Ferry for Inland Waterways Authority of India (IWAI), three nos. of Marine Ambulance Boat for the Fisheries Department of Government of Kerala and five nos. of Tuna Long Liner cum Gillnetter Fishing Boat for the beneficiaries of Tamil Nadu. CSL also delivered two Brows and Pontoons for Indian Navy. Further, the construction of three nos. of Anti-Submarine Warfare Shallow Water Craft for Indian Navy, nine nos. of Floating Border Outpost (FBOP) Vessel for the Ministry of Home Affairs, four nos. of 8000 DWT Mini General Cargo Ship for JSW Shipping & Logistics Private Limited and five nos. of Hybrid Electric – Passenger Ferry for Kochi Metro Rail Limited (KMRL) are progressing.
9. The yard also completed major milestones on various projects including, launching of five vessels at one go from its Building Dock at Kochi and also laid the keel for two vessels on the same day. The vessels launched were two 8000 DWT Mini General Cargo Ships for JSW Shipping & Logistics Private Limited, three FBOP Vessels for the Ministry of Home Affairs and the keel laying was carried out for two 8000 DWT Mini General Cargo Ships for JSW Shipping & Logistics Private Limited. Further, CSL also launched one Hybrid Electric – Passenger Ferry (100 Pax) for KMRL and carried out keel laying for three FBOP Vessels for the Ministry of Home Affairs. CSL also carried out steel

cutting of three Anti-Submarine Warfare Shallow Water Craft for Indian Navy and five Hybrid Electric – Passenger Ferries (100 Pax) for KMRL. CSL achieved these milestones amidst the COVID-19 pandemic by working with available resources with necessary precautions.

10. The prestigious Indigenous Aircraft Carrier (IAC) project is in the trials phase. The entire hull work (structural fabrication and erection) and 95% outfitting has been completed. In spite of the various difficulties/imponderables posed by COVID-19 pandemic, the basin trials of the vessel which are primarily aimed at proving the performance of the main propulsion plant of the ship in harbour was successfully completed in November 2020. The basin trials are a precursor to the ensuing sea trials slated for the second quarter of this calendar year which included extensive harbour trials of all four LM2500 gas turbines, main gearboxes, shafting and controllable pitch propellers, along with their integrated control systems. Moreover, major auxiliary equipment and systems such as steering gear, air conditioning plants, compressors, centrifuges, all critical pumps, power generation and distribution system, major machinery fire-fighting and de-flooding systems, deck machinery, internal communication equipment etc. were also tested prior to the above trials.
11. The trials of the navigation and communication systems, HVAC system and readiness of sea trial critical habitability spaces are being undertaken in order to make the vessel ready for its maiden sea trials. The aviation facilities complex related works has also recommenced after the arrival of the Russian facilities in March 2021 after a gap of a year.
12. The sea trials of the IAC is scheduled to start in Q1 FY – 2022. The vessel will go through multiple rounds of sea trials planned to be undertaken in two phases.

### Ship Repair

13. During the year, the Company achieved a total ship repair income of ₹413.30 crores as compared to ₹570.23 crores during the year 2019-20. Major vessels repaired during the year in the main yard include INS Magar, MODU Sagar Vijay, MT Swarna Krishna, GTV Samudra Sarvekshak, INS Sudarshini & DCI Dredge VII. Major vessels repaired during the year in CSL Mumbai Ship Repair Unit include INS Mumbai, MV Campbell Bay, ICGS Sangram & Separation of IN Submarine – 5 (INS Vagir). Major vessels repaired during the year in CSL Kolkata Ship Repair Unit are Dredge XVIII, Switzer Foxtrot & DCI Survey Launch – III.



### Shipbuilding Order Book Position

14. During the year 2020-21, CSL had been successful in securing against intense competition, shipbuilding orders for 2 nos. of Autonomous Electric Vessels for ASKO Maritime AS, Norway. The order book position as on March 31, 2021 is as follows:

Vessel Type	Nos.
Indigenous Aircraft Carrier for the Indian Navy	01
Technology Demonstration Vessel (Special Purpose Vessel) for DRDO	01
500 passenger cum 150 MT cargo vessel for A&N Administration	01
1200 passenger cum 1000 MT cargo vessel for A&N Administration	02
Mini Bulk Carrier of 8000 DWT for JSW Shipping & Logistics Private Limited	04
Floating Border Outpost vessel for Ministry of Home Affairs	09
Anti-Submarine Warfare Shallow Water Craft for Indian Navy	08
Hybrid Electric – Passenger Ferry (100 Pax) for KMRL	23
Autonomous Electric Vessel for ASKO Maritime AS, Norway	02

### Expansion Projects

15. The status of major projects and initiatives are as follows:

#### i) International Ship Repair Facility (ISRF) at Cochin Port Trust

CSL continued to operate the dry-dock & existing facilities in the leased area (first phase) at Cochin Port premises. CSL completed repairs of twelve ships during the year 2020-21. The construction works of ISRF project, which commenced on November 17, 2017, is progressing despite the setbacks due to COVID-19 pandemic. 100% piling works & 87% of the deck concreting works completed. Various industrial buildings are in the advanced stages of completion. CSL received all components pertaining to the transfer system supplied by M/s. IMG, Germany. With regards to shiplift system, CSL started receiving various consignments from M/s. Syncrolift AS, Norway. Structural works are in progress at manufacturer's premises for the 10 T crane ordered on M/s. CJSC SMM, Russia. Order has been issued to M/s. Liebherr, Germany for the supply & commissioning of 3 nos. tower cranes. ISRF project is targeted for commissioning in the latter part of the calendar year 2022. Ten globally renowned firms in the maritime industry have already partnered with CSL for setting up their units in the Maritime Park in first phase. CSL expects to position Kochi as a major ship repair hub with major operations in the present ship repair dock coupled with increased capacities that would be available when the ISRF is commissioned.

#### ii) New Dry-dock Project

The new dry-dock measuring 310 x 75/60 x 13m with 600T gantry crane will be located at the northern end of the existing premises of the Company. The new dock will augment the Company's shipbuilding and ship repair capacity essentially required to tap the market potential of building specialized and technologically advanced vessels such as LNG Carriers, Aircraft Carriers of higher capacity, jack up rigs, drill ships, large dredgers and repairing of offshore platforms and larger vessels. Construction activities commenced in June 2018 is progressing despite the setbacks due to COVID-19 pandemic. Ground improvement works, cofferdam works, dock wall sheet pile installation works has been completed. Further, around 70% of RCC piling have also been completed. Contract for the supply & commissioning of 600T gantry crane was also issued and review of design submitted by the contractor is being carried out.



iii) CSL-Mumbai Ship Repair Unit (CMSRU)

CSL entered into an agreement with the Mumbai Port Trust on October 20, 2018 to upgrade, operate and manage Ship Repair Facility at Hughes dry-dock and berth nos. 5, 6, 7 and 8 of Indira Dock of Mumbai Port. Post operationalisation, CSL has successfully undertaken repairs to around 49 vessels.

During the year 2020-21, in spite of the COVID-19 pandemic affecting operations, CSL has undertaken dry-dock and afloat repair to 20 ships. These repair projects include ships of (1) defence clients notably, Indian Navy’s guided-missile destroyer INS Mumbai, submarine separation operation of IN Submarine - 5 (INS Vagir) through MDL, afloat repair to ICG Coast guard vessels and (2) commercial clients notably, offshore vessels of Shipping Corporation of India (SCI), survey vessels of FSI, passenger vessels of A&N and also to various private owners including M/s. Greatship India. CSL had also taken up repairs for a foreign client and successfully completed repairs to DSP NPP Nusantara for M/s. Miclyn Express Offshore, Singapore.

iv) CSL-Kolkata Ship Repair Unit (CKSRU)

After resumption of work at CKSRU, Kolkata post nationwide lockdown on June 08, 2020, dry-dock repair of DCI vessels ‘Survey Launch – III’ was undertaken according to the Standard Operating Procedures for work resumption after lock down. Since then CKSRU has successfully completed 3 projects viz., repair of DCI Dredge XVIII which was awarded based on a global tender, emergency repair of Tug Svitzer Foxtrot, the first foreign vessel repair order from M/s. Svitzer Asia Pvt. Ltd., part of Maersk Lines and the feasibility study of their No. 1 Box Caisson for Syama Prasad Mookerjee Port, Kolkata. Firm stemming orders have been received for dry-dock repair of Tug Tamralipta from Syama Prasad Mookerjee Port and MV Dering from SCI. CKSRU facility was successfully audited by ABS Quality Evaluations as part of Responsible Procurement Audit for Maersk Supplier Code of Conduct and also by Indian Coast Guard for undertaking refit/repair of ICG ships. Various infrastructure development activities and recruitment of dedicated manpower are in progress. 4 major contractors have already been empanelled for turnkey services and registration of 100+ contractor/suppliers is in progress for undertaking various ship repair related services.

v) CSL-Andaman & Nicobar Ship Repair Unit (CANSRU)

Agreement executed between CSL and A&N Administration has been made effective as on January 15, 2021 by mutually complying with the condition precedents stipulated in the agreement and submission of asset verification and dipstick audit reports. CSL is in final stages of discussion with competent agencies for preparation of DPR for modernization of Marine Dockyard, Port Blair to effectively undertake repair of fleet of vessels owned by the Administration and to ensure availability of the vessels for operation. First set of CSL executives nominated for CANSRU are working on establishment of offices, positioning of essential infrastructure, empanelment of turnkey contractors and vendors for various subcontract works and supply of material at CANSRU. Overwhelming response has been received for Expression of Interest for “Empanelment for Undertaking Turnkey Subcontract Works at CANSRU”. Recruitment of officers and staff in various cadres, both on permanent rolls and contract basis, and deployment of Quality Control and HSE personnel are in progress with the aim to commence ship repair activities at the earliest.

vi) Hooghly Cochin Shipyard Limited (HCSL)

Hooghly Cochin Shipyard Limited (HCSL) was initially set up as a joint venture between CSL and Hooghly Dock & Port Engineers Limited (HDPEL). Pursuant to the approval of the Union Cabinet, HCSL became a wholly owned subsidiary of CSL with effect from November 01, 2019. HCSL aspires to establish itself as one of the leading shipbuilding yard in east coast for quality inland and coastal vessel construction.

The “new yard construction of Hooghly Cochin Shipyard Limited, Nazirgunge unit” is in advanced stage of completion and the facility has become ready for operation with effect from March 09, 2021. The final commissioning of balance systems & equipments are in progress. At the end of financial year 2020-21, physical progress to the tune of 93% is already attained for civil work, while commissioning work of machineries, mechanical and electrical is in progress with 85% completion.

The construction activities under civil works package had crossed the 50% mark in 2019-20 when all works at site had to be stopped on March 23, 2020 due to the outbreak of COVID-19 pandemic. The stoppage of work continued till June 09, 2020 which lasted for a period of 79 days. Work could be resumed only post relocating workmen within the confines of the site

in order to minimize impact of COVID-19 pandemic, even though it remained unabated in the whole state. Although work at the site resumed by June 10, 2020, the momentum of work progress could not be regained to pre-COVID pace due to regular interim lockdown imposed by respective State Governments, thereby effecting the mobilisation of work force and materials to the desired level. Considering the loss of man-days due to the pandemic, the original contractual completion date of June 2021 would be revised to September 2021 as per force majeure clause. However, all efforts are being made to complete the balance commissioning and allied works by July 2021. One of the most significant challenges is the work of construction at the slipway being undertaken in the open river with substantial tidal variation, steep water current & proximity to navigational channel of Kolkata Port Trust.

vii) Tebma Shipyards Limited (TSL)

As part of CSL’s long term strategy, viz., CRUISE 2030, CSL had identified deep sea fishing vessel as one of the several opportunities and towards this CSL acquired Tebma Shipyards Limited (TSL) on September 15, 2020 through the statutory insolvency resolution process and since then TSL is a wholly owned subsidiary of CSL. CSL proposes to utilise the facilities at TSL for building fishing vessels (especially technologically advanced deep sea fishing vessels), tugs and specialized crafts of upto 80 M length which projects huge potential in domestic as well as international markets in the coming years. TSL has two facilities; one in Malpe, Karnataka and the other in Chengalpet, Tamil Nadu. The facilities at Malpe is spread across three units as below:

- (a) Malpe Harbour Complex – Hull erection and launching;
- (b) Hangarkatta – Steel preparation and block fabrication; and
- (c) Babuthotta – Warehouse.

Due to the financial difficulties and consequent statutory insolvency resolution process, TSL’s facilities had been non-operational for the past several years. Post takeover by CSL in September 2020, TSL has initiated the process of revamping its infrastructure facilities at Malpe for commencing the operations. Out of the three facilities at Malpe, the revival of Babuthotta warehouse is completed and is operational. The revival of Hangarkatta unit is at the advanced stages, and is expected to be operational by July 2021. The revamping activities at Malpe Harbour Complex

are also progressing. The transfer bays are made ready and restoration of main new building shop and surface treatment shop is progressing for completion by August 2021. The recruitment process for positioning the required manpower is in the advanced stage and is expected to be completed soon.

The facility at Chengalpet is planned to be utilised for manufacturing structural outfitting items, rudders, hydrophore units etc., and the activities in this regard will be initiated once the Malpe facility is up and running and the feasibility of Chengalpet facility is established.

A separate statement containing the salient features of the financial statements of subsidiaries/ associates/ joint venture companies in form AOC-1 pursuant to the provisions of Section 129 (3) of the Companies Act, 2013 is attached along with the financial statements.

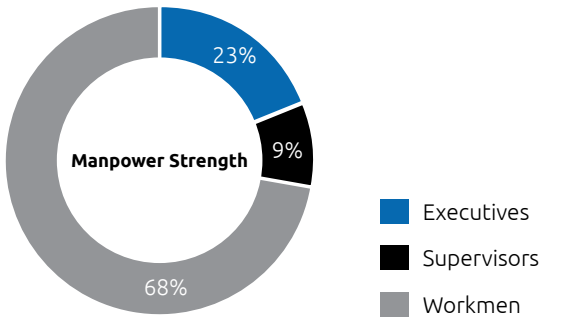
Utilisation of IPO Proceeds

16. During the financial year, the Company has fully utilized the funds raised through its Initial Public Offer (IPO). The details are as follows:

Particulars	₹ Crores
<b>Proceeds from Initial Public Offer (IPO)</b>	961.95
Less IPO expenses (Company's share)	21.72
Net IPO proceeds	940.23
Less Utilisation of Proceeds for:	
General Corporate Purpose (GCP)	165.23
Construction of New Dry Dock	510.00
ISRF	265.00
<b>IPO Proceeds balance</b>	<b>0.00</b>

Manpower Status

17. The manpower strength of the Company as on March 31, 2021 was 1727 consisting of 397 executives, 156 supervisors and 1174 workmen.





## Industrial Relations

18. CSL continued to maintain and foster cordial industrial relation atmosphere during the year. There was no loss of man hours on account of labour unrest due to reasons attributable to the Company exclusively.
19. Process of collective bargaining for framing a Long Term Settlement (LTS) for CSL permanent workmen by recognized trade unions of the Company concluded amicably. After protracted discussions at different levels in a series of 46 meetings a memorandum of agreement for wage revision of workmen was signed by the management and recognized trade unions on March 28, 2019, which is valid till March 31, 2027. Subsequently, under Section 12(3) of the Industrial Disputes Act, 1947, this memorandum of agreement was signed as a Memorandum of Settlement before the Dy. Chief Labour Commissioner by the management and recognized trade unions on June 18, 2019.
20. This milestone LTS for wage revision kindled general contentment and happiness among the workmen of the Company. The recognized trade unions with their pro-active approach during the course of the negotiation have once again exhibited their true allegiance to the enhanced productivity and economic sustainability of the Company.
21. Further, the referendum for recognizing trade unions was conducted on March 19, 2021 by the Dy. Chief Labour Commissioner (C), therein 2 unions namely Cochin Shipyard Employees Federation (CSEF) and Cochin Shipyard Employees Organisation (CSEO) have secured the recognition status as per the norms stipulated for recognition. However, formal approval for the same is awaited from the Chief Labour Commissioner (CLC).
22. The executives and non-unionised supervisors also continued to contribute their best to the Company during the year.
23. The joint management forums like joint councils, shop council, central safety committee, shop level safety committees, contract worker safety committee, canteen management committee, employees' contributory provident fund trust etc., continued to function effectively.
24. Employees and their dependents welfare and wellbeing are well taken care through various voluntary schemes like Employees Medical Assistance Scheme, Employees Pension Scheme, Shipyard Parivar Prathibha Puraskar Scheme, Employees Educational Assistance Scheme etc.

## Human Resource Development

### Learning and Development Activities during 2020-21

25. Due to COVID-19 pandemic, traditional internal and external training & development activities usually conducted in CSL had to be suspended for a few months in the first two quarters of 2020 and later on programs were conducted on virtual medium using Microsoft teams, zoom etc.
26. The prominent external webinars for which executives were nominated include the following topics.
  - a) Design and implementation of ISO 50001
  - b) Stress and lifestyle by Engineering Staff College of India, Hyderabad
  - c) Transfer pricing – including impact of COVID-19
  - d) Structuring and financing of mergers and acquisition
  - e) Understanding of Insolvency and Bankruptcy Code
  - f) India maritime tech conference 2020
  - g) Data analytics for financial professionals
  - h) Static electricity and industrial safety
  - i) Risk management
  - j) Contract drafting and management
  - k) Assessment, Examination and Certification of Seafarers (AECS)
  - l) Corrosion engineering, emerging technologies, coating and advance material by ESCI, Hyderabad
  - m) Ind AS – Master class for finance professionals
  - n) High impact corporate governance – Excellence of CSR sustainability and responsible business by Department of Public Enterprises
  - o) Maritime hydrogen fuel cells conference, Europe etc.
27. Company also nominated senior executives under the scheme “Igniting Minds” to virtual programs of Indian Institute of Management Ahmedabad on topics like “Mergers, Acquisitions and Restructuring” and “Contract Management” etc., but rest of the nominations were not materialized as the institutes had cancelled the sessions.

### Customised Internal Trainings

28. 300 executives in CSL and its units at Mumbai and Kolkata were given 18 hour module training on ISO 45001:2018 – Internal auditor up gradation training with a video based

online training conducted by KSPC as part of external audit readiness before audit by M/s. DNV – GL. The certification was followed by an online assessment which required 85% correct answers to pass the course and 296 executives on permanent rolls as well as on contract had successfully completed the same.

29. Online interactive session on Business Ethics in connection with vigilance awareness week 2020 was conducted on October 27, 2020 by CVO, CSL Shri K Rajendran and the same was attended by 37 executives.
30. In order to comply with legal requirements by Food Safety and Standards Act, 2006, CSL also conducted a customized one day “Advanced certification on Food Safety – Advanced Catering and COVID Awareness” following COVID protocols to 10 supervisors and employees of CSL Employees Canteen in November 2020. 10 participants passed the certification test and the certification is valid for a period of two years.
31. Four executives completed online certificate programme on Construction Contract Management conducted by National Institute of Construction Management and Research (NICMAR), Pune.
32. Induction programme to 38 newly joined supervisors was conducted in two phases of 4 days each per batch in November 2020 and January 2021.
33. A customized Management Development Programme (MDP) “Competency Based Assessment” was conducted on February 24, 2021 at Rajagiri Research Institute Kakkanad. 19 executives completed the programme.
34. One executive was nominated to 6 day online course on “Hydrodynamics in Ship Design” by Maritime Research Institute Netherlands (MARIN), Amsterdam.
35. An online based session by NSDL regarding New Pension System was conducted at Training Institute on March 25, 2020 for employees who are about to retire from CSL Service.
36. Novex Platform – A cloud based online repository has been launched by CSL recently and courses on different competencies are currently being pursued by appropriate target group of executives and supervisors. This is accessible on mobile as well as on computers.
37. A webinar was organized in association with Dupont Sustainable Solutions on “Balancing Operational Focus with Risk Management” in June 2020 for Senior Managers and above Cadre.

## Educational Scholarships to Wards of Employees

38. “Shipyard Pariwar Prathibha Puraskar”, an educational scholarship scheme introduced from the year 2016 aims to reward and promote the star performers among the wards of regular employees of CSL. A scholarship of ₹25,000/- per year for a maximum period of 5 years shall be bestowed in the order of highest marks scored by the wards in class XII final examination. During the year 2020-21, 17 eligible students have been granted scholarship under the said scheme.

## Recognising Excellence

39. CSL has introduced the Employee Excellence Awards Scheme envisaging reward and recognition of innovative ideas and practices among the employees below the level of AGMs. The highest award under the scheme is Chairman’s award with a citation and cash prize of ₹15,000/-. During the Republic day celebrations in 2020-21, 23 permanent employees and 9 contract personnel/trainees have been honored with Chairman’s Commendation, which carries ₹2,000/- cash prize.

## Aesthetic Design Competition for Kochi Water Metro Project

40. An aesthetic design competition for Kochi Water Metro Project was conducted in CSL for exterior styling of the prestigious catamaran ferries. The design selected for use of Kochi Water Metro Project was awarded with prize money of ₹25,000/- (Shri Vivek Vijayan, Code No. 3985, Sr. Ship Draughtsman). Designs selected for future use of CSL submitted by 4 employees were awarded with prize money of ₹5,000/- each & a certificate.

## International Yoga Day

41. Employees were encouraged to observe international yoga day in small groups and at their homes with family members, without affecting COVID protocols and the photographs of the same were shared to concerned government portals.

## Constitution Day

42. Constitution day was celebrated in CSL on November 26, 2020 with reading of Preamble and an online session on the topic “The Indian Constitution – The Treasure House of Values” was organized on November 30, 2020. The session was engaged by Dr. Pauly Mathew Muricken a practicing lawyer at the High Court of Kerala, a constitutional law expert and a known legal academician, from The National University of Advanced Legal Studies, Kochi.



**Prajnan Talk Series**

43. 'Prajnan', the technical talk series launched in the year 2018, continued with a session by Shri Harikrishnan S, GM (Materials) on December 28, 2020 on "Force Majeure in Times of COVID Challenges".

**Training**

44. Under the Apprentices Act, the Company has imparted training to 237 ITI trade apprentices, 60 engineering graduates, 6 non-engineering graduates, 58 diploma holders and 5 vocational trainees in 2020-21. Furthermore, specialized training mainly in the technical streams was extended to 251 trainees under the Company scheme. The Company during the year had also inducted 9 executive trainees for one-year training. The GME course, approved by Director General of Shipping, Government of India was undergone by 132 engineering cadets during the year to qualify for marine engineering jobs onboard vessels.

**Samanvay portal**

45. Samanvay is the common Knowledge Management Portal for all CPSEs. The website is designed & developed by ONGC, on behalf of the Department of Public Enterprises (DPE). The primary objective of the Samanvay Knowledge Management Portal is to create a platform for enabling individuals, teams & entire Public Sector Enterprises to collectively and systematically share knowledge, infrastructure, best practices, SOP etc., to learn from others' experiences. The usage of Samanvay is being closely monitored by DPE. Periodic meetings and reviews are conducted by DPE with CPSEs which are chaired by top officials of DPE, and there has been continuous follow up from DPE to increase the usage of the portal. CSL has given user access for the portal to all officers, and the users can share lessons learnt from their work place through the portal. CSL has shared around 106 articles including 31 lessons learnt, 75 CSR, HR, HSE practices, best practices at work place & articles on innovation, through the Samanvay portal till date.

**Employee Welfare Measures**

46. Infertility treatment scheme was launched in the year 2020 for providing reimbursement of medical expenses incurred for infertility treatment for all permanent employees. An amount not exceeding ₹1,00,000/- (Rupees One Lakh only) per cycle or the actual cost whichever is lower is permitted for reimbursement and the same will be allowed upto maximum of three fresh cycles with prior approval. Special Leave for maximum 10 days in a year and maximum of 20 days are being granted during the service of an employee who undergo procedures as a part of infertility treatment.

Total 11 employees were granted permission to avail the benefits under this scheme as on March 2021.

47. All employees (permanent & on contract employees) and trainees were granted special leave for being stranded out in containment zones & quarantine leave was granted for those who have undergone treatment for being COVID positive and who were under quarantine, amidst of the spread of COVID-19 pandemic.
48. Pregnant women employees and employees with co-morbidities were exempted from roaster/shift duties based on their specific request during resumption of work in CSL post lockdown period. Also, post lockdown, women employees are being deployed only in general shift.
49. National Pension System (NPS) was introduced in CSL in order to facilitate contributory pension scheme for all permanent employees. A kiosk centre was arranged in CSL premises in the month of February 2021 for all employees through which the employees have opened their individual NPS account. CSL will be contributing 10% of the wages (Basic + DA) to the individual account of the employees, as employer contribution. The scheme provides attractive income tax benefits to the employees and also ensures a hassle-free life post retirement.
50. CSL introduced paternity leave in the year 2019 to male employees of the Company including for valid adoption of a child below the age of one year.

**Encouraging Thought Provoking Ideas**

51. "Nethruthwa Samvridhhi Yojana" – Leadership Acceleration Programme (LEAP) was launched in the year 2016 to encourage and motivate executives in the grades E1 to E4 for pursuing higher studies in premier institutes both in India and abroad. The core benefit under the scheme is not only a grant of study leave for two years, but reimbursement of tuition fees, in installments after they come back and join for duty. A maximum of three applicants are considered on a yearly basis under LEAP scheme.
52. CSL launched special financial assistance scheme applicable to SC/ST apprentice trainees in 2018 to provide monthly financial assistance of ₹1,500/- for meeting their expenses towards rental accommodation in Kochi. The monthly financial support is extended to a maximum of 20 trainees during the period of apprenticeship training, subject to periodical review by CSL.
53. Mentor-Mentee scheme launched in the year 2016 continued this year also for ensuring personalized special attention by a senior executive. It is extended to all new executives/executive trainees joining CSL. This

collaboration gives junior executives, who are freshers, a feeling of engagement, belongingness and significant improvement in the inter and intra personal relationship in the organisation which lead to better retention.

54. Buddy scheme was launched in the year 2019 with the induction of new batch of executive trainees. The objective of the scheme is to encourage the younger executives in CSL to be a guide to the new entrants especially executive trainees joining CSL. The scheme will help the new entrants, especially those from outside Kochi to socialize, and get a support/guidance during their organisational entry, as well as experience a smooth transition from campus to corporate life.
55. CSL Star Board – a mobile application for executives was introduced in 2017 for the purpose of knowledge sharing. The objective of Star Board is to enable the executives to share their technical knowledge, latest technical information and to provide a platform for innovative minds on matters related to their profession/work. Star Board will promote knowledge sharing culture in CSL, which is essential for the existence and success of any business. This platform has provisions for sharing of both explicit knowledge and tacit knowledge.
56. Sandbox - The 'Sandbox' is an online platform introduced in 2019 to act as a launch pad of new ideas, formed primarily with the vision of becoming a collaboration platform for officers of CSL. 'Sandbox' is envisaged to act as a people engagement platform which will provide each executive of the organisation an opportunity to express their innovative ideas and to implement those ideas associating with likeminded people while getting guided by mentors and experts in the relevant areas. The platform is expected to nurture creativity, encouraging innovation, technology induction and thereby to try a change culture within the organisation which would contribute towards a larger transformation of organisation.

**Professional Assessments**

57. Through an elaborate competency mapping exercise, four cultural competencies namely teaming, execution excellence, constraint breaking and continuous learning have been identified for CSL. It has been decided that these cultural competencies will be incorporated in all HR sub systems like recruitment, training, performance management, career development etc., in future.
58. During the year 2018, M/s. Korn Ferry Hay Group, a leading HR consultancy organisation in Asia was awarded the work order for conducting executives' Assessment Development Centre (ADC) and creation of Individual Development Plans (IDPs) for succession planning. ADC was conducted to

assess the competencies of executives in CSL vis-à-vis the required competencies. ADC was conducted successfully for 202 selected executives in the grades of DMs and above during the year 2018 and 2019. M/s. Korn Ferry Hay Group assessed the strengths and areas for development of the executives using various assessment tools and prepared detailed IDP. In addition to formulation of succession plan, the ADC was beneficial to CSL as it provided right direction for planning HR interventions.

**People Capability Maturity Model (PCMM)**

59. In the year 2018, the Company commenced activities for obtaining a level 3 PCMM certification. As part of implementation of PCMM, conscious and collective efforts are being undertaken by the executives in HR department in formulation of various policies and bringing in improvements in existing HR procedures and practices.
60. PCMM is a maturity framework that focuses on continuously improving the management and development of the human assets of an organisation. The PCMM helps organisations characterize the maturity of their workforce practices, establish a programme of continuous workforce development, set priorities for improvement actions, integrate workforce development with process improvement and establish a culture of excellence. The PCMM consists of five maturity levels; Level 1 to Level 5. Each maturity level is a well-defined evolutionary plateau that institutionalizes new capabilities for developing the organisation's workforce. Unlike other HR models, PCMM requires that key functions/process areas, improvements, interventions, policies, procedures and practices are institutionalized across the organisation, irrespective of function or level. Therefore, all improvements have to percolate throughout the organisation to ensure emphasis on a participatory culture embodied in a team-based environment and encouraging individual innovation and creativity.

**Status on Affirmative Action to Implement Presidential Directives on Reservations**

61. Cochin Shipyard has been strictly complying with the Presidential directives and guidelines on reservation for Scheduled Caste (SC)/ Scheduled Tribes (ST)/ Other Backward Classes (OBC)/ Economically Weaker Sections (EWS) and Persons with Benchmark Disabilities (PwBD) issued by the Government of India from time to time. The Company has appointed a liaison officer for SC/ST/PwBD/ Ex-Servicemen and a separate liaison officer for OBCs and EWSs to oversee the implementation of reservation policies. Reservation percentage is ensured through the maintenance of post-based roster system as prescribed by the Government of India.

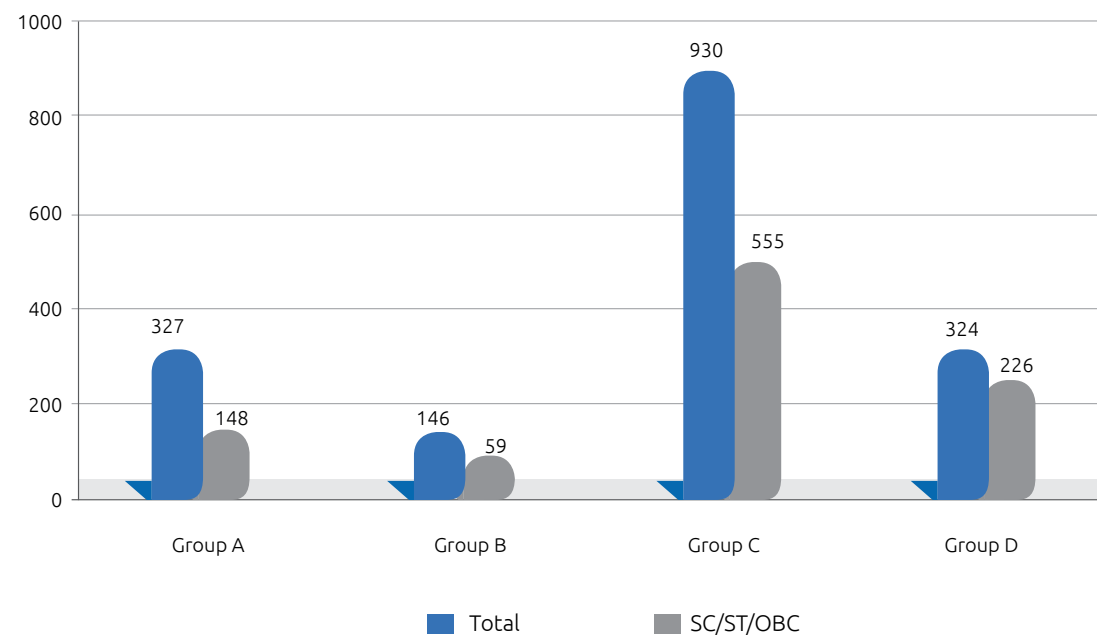


### Representation of SC/ST/OBC employees

62. The representation of SC, ST and OBC employees in various groups of posts as on March 31, 2021 is given below:

Category	CSL's Total Strength	SC	ST	OBC
Group A	327	48	15	85
Group B	146	18	14	27
Group C	930	131	10	414
Group D	324	40	8	178
<b>Total</b>	<b>1727</b>	<b>237</b>	<b>47</b>	<b>704</b>

Representation of Various Groups



### Representation of Persons with Benchmark Disabilities (PwBD) and Minority employees

63. The representation of Persons with Benchmark Disabilities (PwBD) and Minority employees in various groups of posts as on March 31, 2021 is given below:

Category	CSL's Total Strength	PwBD	Minority
Group A	327	7	89
Group B	146	6	38
Group C	930	24	226
Group D	324	20	96
<b>Total</b>	<b>1727</b>	<b>57</b>	<b>449</b>

### Provision for Safeguard of Women

64. The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder are strictly complied with. An Internal Complaints Committee has been constituted in accordance with the Act chaired by a senior woman executive. The Committee had closed one complaint which was received during 2020-21.
65. CSL has a Women Welfare Officer specifically to promote women empowerment activities and to formulate and implement welfare measures according to the needs of women employees of the Company.

### Integrated Management System (IMS)

66. Cochin Shipyard maintained its Integrated Management System (IMS) under the ISO 9001:2015 Quality Management System and ISO 14001:2015 Environmental Management System standards. CSL upgraded its Health and Safety Management System to the latest ISO 45001:2018 in September 2020. The next re-certification audit is scheduled in September 2021. It is proposed to cover all the ancillary units of CSL within the certification system during the forthcoming re-certification audit.

### Facility Upgrade and Capital Expenditure

67. The total capital expenditure incurred in 2020-21 amounted to ₹264.34 crores. This related to renewals and replacements, modernization and expansion, dry-dock, ISRF, CMSRU, CKSRU etc.

### Implementation of Official Language Policy

68. In pursuance of sub rule (4) of rule 10 of the Official Language (Use for the Official Purposes of the Union) Rules, 1976, Government of India have notified, in the Gazette of India, that 80% of ministerial staff of the Company have acquired working knowledge/proficiency in Hindi.
69. Various competitions in Hindi language were organised in connection with Hindi month celebrations 2020 for employees, trainees and employees on contract of CSL in online and offline mode. Hindi typing, dictation, passage reading, memory test, Hindi film songs (separate for women and men) and quiz competitions were organised in this regard. Essay writing, sentence making, poetry writing, short story writing etc., were conducted through online mode. Twelfth issue of Hindi house journal, 'Sagar Ratna' was released on Hindi Day.

70. As a special programme in connection with Hindi month celebrations, online speech competition was organised for State school students and online quiz competition was

organised for CBSE school students of Kochi. As part of implementation of official language policy of Government of India, CSL observes First Wednesday of every month as Hindi Day.

71. Cochin Shipyard Limited organised a webinar on 'Career opportunities for Hindi Graduate Students' of Maharajas College, Ernakulam on February 23, 2021 for providing information about Hindi language and employment opportunities for undergraduate Hindi students. The main faculty of this programme was Shri Sambath Kumar P N, Assistant General Manager (Administration), CSL, Kochi. In total, more than 100 students participated in the webinar with great enthusiasm.
72. Official Language (OL) Management Programme was organised for the executives in the year 2021. Total 22 executives attended the same.
73. One day online Hindi workshop was organised under the auspicious of TOLIC, Kochi in which 25 persons participated. Online spoken Hindi classes were organised for the executives (Director, General Managers and Chief General Managers) and 17 executives participated for which a Whatsapp group was created so as to upload the spoken Hindi modules.
74. For the smooth implementation of OL, six administrative sections were identified to ensure 100% compliance of OL policy. Based on this a schedule has been prepared and a section will be inspected in a month during which emphasis is being provided on bilingualization of all documents, unicode training for employees, maintenance of registers in bilingual form, preparation of bilingual notings on files etc.
75. During the academic year 2019-20, cash incentives for children of employees for obtaining high marks in Hindi in 10th std., were awarded to 9 children. 24 employees were also awarded cash incentives for the implementation of Hindi language.

### Particulars of Employees and Related Disclosures

76. In accordance with Ministry of Corporate Affairs notification no. GSR 463(E) dated June 05, 2015, government companies are exempt from Section 197 of the Companies Act, 2013 and its rules thereof.

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

77. Details are placed at **Annexure I**. The Company's major initiative in the conservation of energy was installation of solar panels on the rooftop of various buildings inside CSL premises. The programme commenced in the year 2013-14. As of March 31, 2021, solar power plant having capacity of 1485 kWp has been commissioned in CSL.



Risk Management

78. CSL constituted a Board level Risk Management Committee (RMC) in line with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on February 08, 2019 for an overall review of the corporate risks. CSL has adopted a comprehensive Risk Management Policy at the 214th meeting of the Board of Directors held on September 16, 2014. The Company's risk management policy aims to put in place a comprehensive risk management system consisting of a defined process of risk management and methodology of identification, assessment, response, monitoring and reporting of risks. The policy provides the management and Board of Directors an assurance that key risks are being properly identified and effectively managed.
79. As per the policy, CSL Board at the helm will review the risk management system in CSL. The Board shall discharge its responsibility of risk oversight by ensuring the review at periodical intervals. The CSL management comprising of CSL Board level and below Board level executives has been entrusted with the implementation of the risk management process. In this respect the Company have functional Risk Management Committees and Board Level Risk Management Committees to implement the policy in CSL. The Risk Management Committees and the Board of Directors periodically review the risk management process and policy. The yard's product mix comprising of defense and commercial shipbuilding and ship repair gives the Company a natural hedge against market risk.

Research and Development (R&D) Activities

80. R&D policy of CSL is to enhance the Company's pre-eminence in shipbuilding, ship repair and other chosen fields and products through research and development. In-house R&D activities have been undertaken during the year 2020-21 mainly in the areas of welding procedure development and qualification of welders.
81. Welding of Aluminum plates with Double pulsed Metal Inert Gas Welding is a new technique for which capability building in developing the weld procedure is of paramount importance to the yard. In the above context, weld procedure development has been undertaken in-house for welding of 5083 grade H116 Aluminum plates using Double pulsed Metal Inert Gas Welding. The weld procedure specification has been prepared and qualified to weld thickness from 5 mm to 20 mm Aluminum plates. This new process saves considerable amount of man hour and effort. The procedure has been validated by IRS Classification Society.

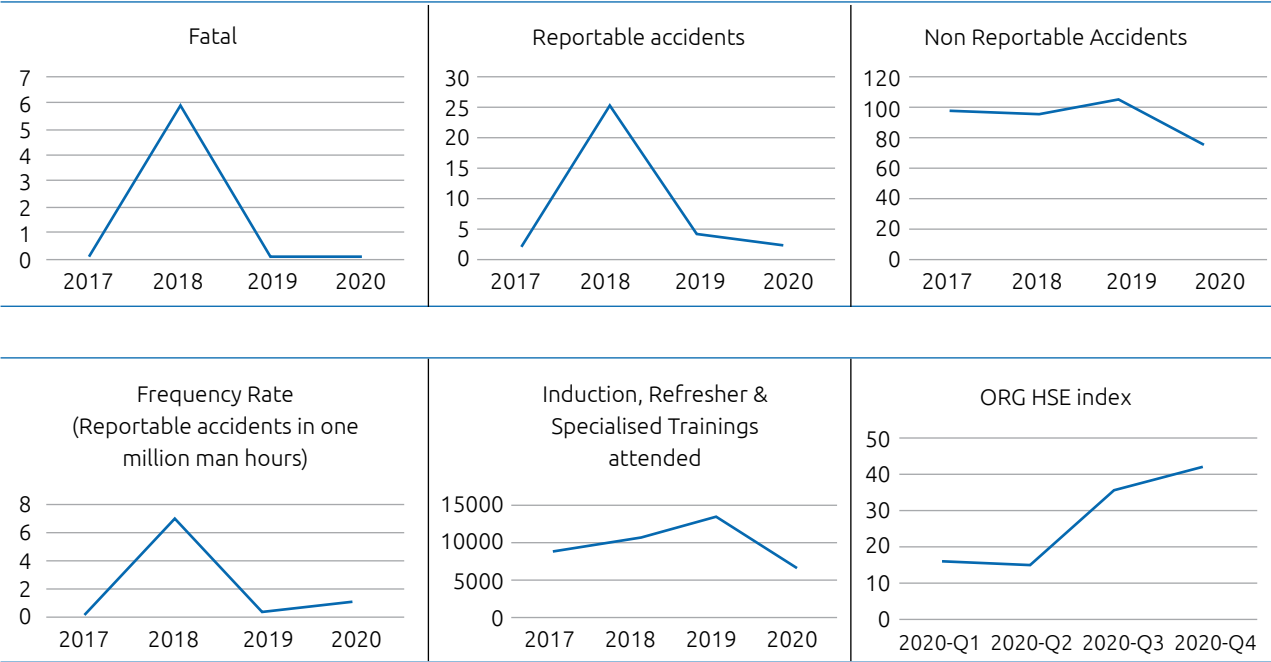
Health, Safety & Environment (HSE)

82. CSL upholds safety as an integrated part of shipbuilding and ship repair process. This underpinned our employees and stakeholders to plan the jobs from an integrated viewpoint.

Workforce engagement is a key role in HSE management and CSL is leveraging this from a business standpoint. Sub-contractors upliftment on HSE matters has been taken as a key project towards the overall HSE upbringing for which several town hall sessions were conducted to bring awareness into this community.

83. All the legal requirements pertaining to HSE matters are complied with and reports are submitted to the respective enforcement bodies under respective authorities in State and Central Government.
84. Safety awareness through learning management system has been kickstarted in the organisation and brings more executives in this domain to involve in HSE management process. Hand injury prevention campaigns were conducted among the workforce to remind and inculcate the new habits by way of handling and use of power and non-power hand tools, since hand injuries are high in CSL.
85. HSE index has been introduced at department level to monitor the HSE performance among departments. This is a combination of reactive performance and proactive achievement of each department in HSE activities. Normalizing score method used to calculate HSE index of execution department and services department separately.
86. CSL has been certified ISO 45001:2018 in the year 2020 which enable more on demonstrative HSE leadership and participative & consultative mechanism adopted in the system. This develops HSE leadership at all levels across the organisation. Walk the talk by divisional heads and pep talk by HODs, shows an indicative movement in the organisation towards inclusive HSE culture.
87. CSL has been awarded Silver GreenCo Rating which is the "first of its kind in the World" holistic framework that evaluates companies on the environmental friendliness of their activities using life cycle approach. Implementation of GreenCo rating provides leadership and guidance to companies on how to make products, services and operations greener, which includes energy efficiency, water conservation, renewable energy, GHG mitigation, waste management, material conservation and recyclability, green supply chain, product stewardship, life cycle assessment and eco-friendly environment & innovation.
88. CSL extends the HSE core standards, principles and SOPs to other units of CSL viz., CMSRU, CKSRU and subsidiary company HCSL. These units have been audited to monitor that the systems are in place. Further, CSL is in the process of extending the HSE practices at its unit CANSRU and its subsidiary company TSL.
89. CSL have won the safety award from Factories & Boilers Department, Government of Kerala under the category of very large factories in engineering, automobile, textile and coir.

90. Performance review



Industrial security

91. Cochin Shipyard Limited is a vital organisation with national importance and is classified as special security zone by both State and Central Government and the security of establishment has got national importance. The primary security of the establishment is entrusted with Central Industrial Security Force (CISF) unit comprising of 130 CISF personnel under the command of Dy. Commandant, CISF. Overall security of the Company continued to be robust without causing any serious security concern during the year. All security systems and measures introduced and installed in the Company are of international standards. Periodic joint survey was conducted by the Company along with CISF. Twenty-four hours waterfront patrolling with armed personnel and wireless surveillance (CCTV) system covering all critical locations and installations are in place. The periodic mock drill exercises are conducted in coordination with Intelligence Bureau, State Police, State Fire Department, Bomb Squad and Navy to assess the readiness of CISF force to counter any security threat, security breach, crisis or calamities.
92. CISF is carrying out their security surveillance and duties with security gadgets which includes biometric access control system, x-ray baggage scanner, door frame metal detectors, hand held metal detectors, breath analysers, vehicle patrolling, boat patrolling and foot patrolling etc. The upgradation of security gadgets is being taken up as per the

technical survey of CISF to bring modern security gadgets to enhance the existing security system and facilitate the CISF a foolproof frisking mechanism at all gates.

93. Special security attention is being accorded to the Indigenous Aircraft Carrier (IAC) with an exclusive security arrangement provided apart from the overall security arrangement of the establishment post the incident of theft reported during the year 2019-20 in IAC. The case is being investigated by National Investigation Agency (NIA). NIA arrested two persons in connection with the incident and retrieved the stolen computer hardware components. The issue of security of IAC was taken up at the highest levels of CISF and an additional contingent of 46 CISF security personnel on IS Duty have been posted exclusively for IAC under the command of Asst. Commandant.
94. The security strength and requirements of additional security enhancements are periodically monitored by the Head Quarters of CISF through technical resurvey for security gadgets and resurvey for manpower augmentations. The proposal for augmentation of strength of CISF, CSL Unit from the present strength of 130 CISF personnel to 220 personnel have been approved by the Ministry of Home Affairs, Government of India with creation of a net additional 96 posts. The deployment procedures are underway.
95. The entry to the ship is strictly controlled using access cards thus keeping track of the number of personnel working



- onboard at any given point of time. The additional security gadgets including CCTV surveillance, biometric access system, two net water barrier, DDS, boat patrolling etc., have also been arranged for safeguarding and avoiding any imminent threat for the ship.
96. The entry to the Yard is effectively controlled via access control systems including biometric embedded turnstile gates, x-ray baggage machines, DFMD etc. A full-fledged visitor's facilitation center is operated for scrutiny and verification of the credentials of the visitors to the Company. X-ray baggage scanning systems have been installed at the Main entry gate and contractors' workmen entry gate of the Company. All the entry passes issued are photo-based entry passes.
97. During the year 2021-22, the Yard has proposed to implement an integrated security system, upgrading the existing systems. The project is being carried out through Bharat Electronics Limited (BEL), Bangalore. The project envisages introduction of comprehensive security architecture involving complete CCTV surveillance of the perimeter, waterfront and inside the Yard, ESPF system, visitor's management and ANPR etc.
98. The monitoring of visitors, materials and vehicles movement in the Company are done through an integrated ERP module of visitor's management system which ensures effective and vigilant monitoring of materials movement into and out of the Company. As part of the proposed integrated security system, a GPS based tracking tag for the visitors and RFID tagged pass system are also being implemented, thus to keep track of the movements of the visitors within the Yard.
99. CSL has also engaged DGR sponsored ex-servicemen security agency for supplementing existing forces mainly catering to external properties of CSL and also internal specific locations comprising of 98 personnel.

Awards and Recognitions

100. CSL has earned the distinction of becoming the first company in the Shipping sector to be certified by Confederation of Indian Industry (CII) for the GreenCo Silver rating. CSL has now joined the handful of big companies like IOCL, HPCL, BPCL, ONGC, GAIL, Indian Railway (units at ICF) which have already been certified. "GreenCo" rating is awarded to a company meeting set norms in implementation of 'Green' environment friendly facets in their production activities, conserve and is persistently endeavouring to move towards greener renewable energies like solar/wind etc. The rating is based on performance evaluation of the Company under various parameters such as Energy Efficiency, Water Conservation, Renewable Energy, Green House Gas Emission, Waste Management, Material Conservation,

Recycling and Recyclability, Green Supply Chain, Product Stewardship & Life Cycle Assessment, Innovation for Environment, Green Infrastructure and Ecology.

101. CSL has bagged the Kerala CSR Leadership Award 2021 during the year. CSL has also bagged the 'Roll of Honour' award instituted by the Dalal Street Investment Journal for the fastest growing 'Miniratna' manufacturing company for the year. CSL was also awarded First Prize for the implementation of Official Language from Kochi Town Official Language Implementation Committee (TOLIC) among the companies having less than 200 employees and Second Prize for the Hindi Home Magazine "Sagar Ratna" from Kochi TOLIC (PSUs) for the year 2020.

Board of Directors & Key Managerial Personnel

102. Ason March 31, 2021 the Board of CSL comprises of 6 directors consisting of a Chairman & Managing Director, 3 Whole Time Directors and 2 Official Part Time (Nominee) Directors, one each from Government of India and Government of Kerala.
103. During the year Shri Jyothilal K R IAS (DIN: 01650017), Principal Secretary (Transport), Government of Kerala, ceased to be Director of the Company pursuant to the provisions of Section 167(1)(b) of the Companies Act, 2013. The Board of Directors of CSL at their 254th meeting held on June 20, 2020 took note of the cessation of his Directorship. However, the Ministry of Ports, Shipping and Waterways (MoPSW), Government of India vide letter No. SY-11012/1/2017-CSL dated August 24, 2020 reappointed Shri Jyothilal K R IAS (DIN: 01650017), as the Official Part Time (Nominee) Director on the Board of CSL with effect from August 24, 2020. Further, the tenure of Shri Jiji Thomson IAS (Retd.) (DIN: 01178227), Shri Pradipta Banerji (DIN: 00630615) and Shri Nanda Kumaran Puthezhath (DIN: 02547619), who were appointed as Non-Official Part Time (Independent) Directors on the Board of CSL for a period of 3 years vide MoPSW letter F.No. SY-11012/1/2016-CSL dated July 15, 2017, came to an end on July 14, 2020.

104. CSL had six Independent Directors, including a Woman Director, in compliance with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 till March 20, 2020. Subsequently, out of the six Independent Directors, three Independent Directors, including a Woman Director, had vacated their office with effect from March 21, 2020 and the remaining three Independent Directors had vacated their office with effect from July 15, 2020 on completion of tenure of their appointment prescribed by the Government of India. CSL has provided necessary intimations to the Administrative Ministry for filling up the post of Independent Directors including a Woman Director.

105. Details of changes in Key Managerial Persons during the financial year 2020-21 and also upto the date of this report are given below:

Sl. No.	Name	DIN	Designation	Date of Appointment	Date of Cessation	Remarks
1	Shri Madhu S Nair*	07376798	Chairman & Managing Director	January 01, 2016	Continuing	No Change
2	Shri Suresh Babu N V**	07482491	Director (Operations)	April 26, 2016	April 30, 2021	Superannuation
3	Shri Bejoy Bhasker	08103825	Director (Technical) Director (Finance)	April 05, 2018 August 01, 2019	Continuing	No Change
4	Shri Jose V J	08444440	Chief Financial Officer	August 13, 2019	Continuing	No Change
5	Shri Syamkamal N	N.A.	Company Secretary & Compliance Officer	February 01, 2020	Continuing	No Change

\*The Ministry of Ports, Shipping and Waterways, Government of India, vide letter no. SY-11011/1/2009-CSL dated October 16, 2020 extended the tenure of Shri Madhu S Nair (DIN: 07376798), as Chairman & Managing Director for a further period of five years from January 01, 2021 or till the date of his superannuation or until further orders, whichever is the earliest.

\*\* Shri Suresh Babu N V was reappointed as director by way of retirement by rotation at the 48th Annual General Meeting (AGM) of the Company held on September 29, 2020. The Ministry of Ports, Shipping and Waterways, Government of India vide letter no. SY-11012/1/2020-CSL dated February 26, 2021 extended his tenure with effect from April 26, 2021 till April 30, 2021, i.e. up to the date of his superannuation. Consequently, he retired on superannuation from the services of the Company on April 30, 2021.

Declaration and Meeting of Independent Directors

106. During the financial year 2020-21, the Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013. A separate meeting of Independent Directors was held during the financial year on June 19, 2020 which was attended by all the Non-Official Part Time (Independent) Directors, viz., Shri Jiji Thomson IAS (Retd.), Shri Pradipta Banerji and Shri Nanda Kumaran Puthezhath.

Details of Board Meetings held during 2020-21

107. Six Board Meetings were held during the year 2020-21 and the gap between two meetings did not exceed the statutory period. The dates on which the Board Meetings were held are as follows:

Sl. No.	Date	Board Strength	No. of Directors present
1	June 20, 2020	9	8
2	August 10, 2020	5	5
3	October 15, 2020	6	5
4	November 12, 2020	6	6
5	January 04, 2021	6	6
6	February 12, 2021	6	5

108. For more details with respect to the Directors, Board and Committee meetings held during the year and attendance of these meetings, refer Corporate Governance Report which forms part of Directors' Report.

Remuneration Policy/Evaluation of Board's Performance

109. Cochin Shipyards is a Government of India company under the Ministry of Ports, Shipping and Waterways. Presently, the Directors of the Company are presidential appointees and their remuneration is fixed in accordance with the DPE guidelines. Accordingly, Article 21(a) of the Articles of Association of CSL states that President will appoint Directors and determine their remuneration. Since the Board level appointments are made by President of India, the evaluation of performance of such appointees is also done by the Government of India. The Independent Directors evaluated the performance of the Board as a whole in a separate meeting of Independent Directors held on June 19, 2020.

Report of the Nomination & Remuneration Committee on Company's Policy on Directors' Remuneration

110. Presently, the remuneration of Board level appointees is determined in accordance with DPE guidelines. CSL at its 228th Board meeting held on December 14, 2016 adopted the Nomination and Remuneration Policy in compliance with the provisions of Section 178 of the Companies Act, 2013.



CSL in its 241st Board meeting held on May 24, 2018 and further in its 245th Board meeting held on October 31, 2018 amended the Policy. The Policy is available in the website of the Company at <https://cochinshipyard.in/Investors>

### Directors Responsibility Statement

111. Your Directors state that:

- in the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a 'going concern' basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### Contracts and arrangements with related parties

112. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material. However, pursuant to the approval of the Board at the meeting held on October 15, 2020, a Memorandum of Understanding was entered into with Hooghly Cochin Shipyard Limited (HCSL), the wholly owned subsidiary, to enable CSL and HCSL to work together and to enter into a detailed legal agreement for undertaking activities by sharing the facilities, capabilities & resources. Your Directors draw attention of the members to Note 48 to the financial statements which set out related party disclosures as per Indian Accounting Standard (Ind AS) 24. Further, Form AOC-2 has been placed at **Annexure II** as required under Section 134(3)(h) of the Companies Act, 2013.

### Corporate Social Responsibility & Sustainable Development Committee (CSR & SD Committee)

113. From April 01, 2020 to July 14, 2020, the CSR & SD Committee of CSL comprised of Shri Jiji Thomson IAS (Retd.) (DIN: 01178227), Non-Official Part Time (Independent) Director as Chairman of the Committee, Shri Nanda Kumaran Puthezhath (DIN: 02547619), Non-Official Part Time (Independent) Director, Shri Bejoy Bhasker (DIN: 08103825), Director (Technical) and Shri Jose V J (DIN: 08444440), Director (Finance), as members. The Independent Directors vacated their office with effect from July 15, 2020 on completion of tenure of their appointment prescribed by the Government of India. Therefore, due to the non-appointment of Independent Directors, CSL could not re-constitute the Committee with effect from July 15, 2020. In the absence of CSR & SD Committee, CSR proposals were considered directly by the Board based on the recommendations of below Board level CSR Executive Committee.

114. The Corporate Social Responsibility and Sustainable Development (CSR & SD) Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy can be accessed on the Company's website at the link <https://cochinshipyard.in/Investors>

115. Cochin Shipyard started CSR activities in the year 2010-11 based on the guidelines issued by the Department of Public Enterprises (DPE) applicable to Government Companies. CSL has put in place an effective CSR Policy and implementation machinery. The CSR implementation machinery consists of three tier system; Tier I CSL Board, Tier II CSL Board Level CSR Committee and Tier III CSL CSR Executive Committee consisting of senior level executives across various departments of the Company. Presently, Tier II CSL Board Level CSR Committee is not functional due to non-appointment of Independent Directors. The Committee will be re-constituted on appointment of Independent Directors.

116. During the year 2020-21, the Company could engage in meaningful CSR initiatives that received appreciation both within Kerala and also nationally.

117. The Company has spent ₹15.27 crores against the target mandatory CSR spending of ₹14.80 crores for the financial year 2020-21. The expenditure contained partly from the approval provided for the year and partly from the ongoing projects which were approved in the earlier years. It is also pertinent to mention that the Company has taken up 48 projects and spent ₹9.01 crores on government stipulated theme, "Healthcare and Nutrition", which is around 59% of the total spending.

118. The Annual Report on CSR activities is placed at **Annexure III**.

### Audit Committee

119. From April 01, 2020 to July 14, 2020, the Audit Committee of CSL comprised of Shri Nanda Kumaran Puthezhath (DIN: 02547619), Non-Official Part Time (Independent) Director as Chairman, Shri Jiji Thomson IAS (Retd.) (DIN: 01178227), Non-Official Part Time (Independent) Director and Shri Pradipta Banerji (DIN: 00630615), Non-Official Part Time (Independent) Director as members. The Independent Directors vacated their office with effect from July 15, 2020 on completion of tenure of their appointment prescribed by the Government of India. Therefore, CSL could not re-constitute the Committee with effect from July 15, 2020. During the year, for the period where the Audit Committee was subsisting, all recommendations of the Audit Committee were accepted by the Board of Directors. Particulars regarding the Audit Committee are provided under the section 'Board Committees' in the Report on Corporate Governance.

### Corporate Governance

120. The Company is committed to maintaining the highest standards of corporate governance and has put in place an effective corporate governance system. The Company complies with the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and also the Guidelines on Corporate Governance issued by the Department of Public Enterprises, except with respect to the composition of Board of Directors viz., appointment of Independent Directors including a Woman Director and consequent compliances related to Statutory Committees. CSL being a government company, the power to appoint Directors vests with the Government of India and the Company has provided necessary intimations to the Administrative Ministry for filling up the post of Independent Directors including a Woman Director. The Statutory Committees will also be re-constituted on appointment of Independent Directors. Further, the Company also submits its quarterly progress reports on corporate governance within 15 days from the close of each quarter to the Administrative Ministry viz., Ministry of Ports, Shipping and Waterways as recommended by the DPE in this regard. The Report on Corporate Governance forms part of the Directors' Report.

### Management Discussion and Analysis

121. A separate section 'Management Discussion and Analysis Report' has been included in the Annual Report and the same forms part of the Directors' Report.

### Internal Financial Controls

122. The Company has in place adequate internal financial controls with reference to financial statements. During the financial year 2019-20, the Company had engaged M/s. Krishnamoorthy & Krishnamoorthy (Firm Registration No. 001488S), Chartered Accountants for reviewing and installing adequate Internal Financial Controls and to ensure proper and adequate systems for compliance with the provisions of all applicable laws. Such controls were tested and no reportable material weakness in the design or operation was observed. There is no major variation in the control environment during the FY 2020-21. The review of the Internal Financial Controls were carried out by the in-house internal audit team during FY 2020-21 and no material weakness in the financial controls were reported.

123. In order to provide for functional autonomy, the Company has a system wherein financial powers of the Board of Directors are delegated to the CMD. These powers are further sub-delegated to officers at various levels for smooth and efficient day to day functioning. An independent internal audit mechanism is in place for conducting extensive audit of various operational and financial matters. C&AG conducts proprietary audit.

124. During the year 2020-21, the Board of Directors examined internal/statutory audit observations and provided guidance based on the same. The Board of Directors also looked into the internal control system, Company procedures and internal audit performance and reports. The Company has implemented an integrated ERP System (SAP) since July 2014 which is enabling better management control. SAP audit was conducted by M/s. KPMG for assessment and improvement of SAP utilisations. Assessment of the security of the SAP system was also part of the audit. A follow up audit was also undertaken by M/s. KPMG.

125. CSL is in the path of digital transformation and the existing SAP ECC system is being upgraded to the intelligent ERP system S/4HANA in order to cater to the intelligent technology related enhancements in SAP.

126. M/s. E&Y has conducted a Maturity Assessment Audit of the existing IT infrastructure in CSL. Based on their recommendations, the upgradation activities of IT infrastructure, Security Management System and ISO 27001:2013 certification are in progress.

127. Being a frontrunner in adapting to and leveraging digital technology for optimizing its procedures and operations, CSL had taken another step further in this direction by introducing Legatrix in 2018, a digitally enabled legal and regulatory compliance and support service interface. CSL is the first shipping sector PSU to implement this novel system for streamlining its legal and regulatory compliance requirement.



## Statutory Auditors

128.M/s. Elias George & Co. (Firm Registration No. 000801S), Chartered Accountants, Ernakulam were appointed as the Statutory Auditors of the Company by the Comptroller & Auditor General of India for the year 2020-21. The shareholders have delegated the power to fix the remuneration of Statutory Auditors to the Board and accordingly, the same has been fixed by the Board.

## Auditors Report

129.M/s. Elias George & Co., Statutory Auditors have submitted their report on the standalone and consolidated financial statements of the Company for the financial year ended March 31, 2021, on June 11, 2021. The Report does not contain any qualification, reservation or adverse remark or disclaimer.

## Comments of C&AG

130.The comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 forms part of the Annual Report.

## Cost Auditors

131.The Company maintains cost records with respect to its shipbuilding activities as required under Section 148(1) of the Companies Act, 2013. The Board has appointed M/s. Felix & Co. (Firm Registration No. 100416), Cost Accountants, as the Cost Auditors for conducting the audit of cost records of the Company for the financial year 2020-21. The remuneration of Cost Auditor for the financial year 2020-21 was ratified by the shareholders at the 48th AGM held on September 29, 2020.

## Secretarial Auditor

132.The Board has appointed M/s. Mehta & Mehta, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 is placed at **Annexure IV**.

133.The Secretarial Auditors in their Report observed the following:

- a) During the year under report there was no Woman Director on the Board of the Company as required under Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and Section 149 of the Companies Act, 2013;

- b) The Company was having requisite number of Independent Directors on the Board for a period from April 01, 2020 to July 14, 2020 as required under Section 149(4) of the Companies Act, 2013. However, upon end of the term of Independent Directors on July 14, 2020 there was no new appointment of Independent Directors till March 31, 2021;

- c) During the period from July 15, 2020 to March 31, 2021, the Company has not constituted Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee as required under various provisions of the SEBI LODR Regulations, Companies Act, 2013 and the Corporate Governance Guidelines for CPSEs, wherever applicable; and

- d) The Stock Exchanges viz., NSE and BSE had imposed a total fine of ₹18,96,000 (NSE – ₹9,58,000 and BSE – ₹9,38,000) for non-compliance of Corporate Governance conditions of SEBI LODR Regulations.

134.The explanation of the Board to the observations in the Secretarial Audit Report is given below:

Cochin Shipyard Limited (CSL) is a Central Public Sector Enterprise under the administrative control of the Ministry of Ports, Shipping and Waterways, Government of India. Accordingly, the appointment of Directors on the Board of CSL is done by the Government of India by following due procedure of selection. The Company has forwarded necessary intimations to the Administrative Ministry for filling up the posts of Independent Directors including a Woman Director and frequent follow ups are also being done. However, the filling up of vacancies of the Independent Directors and Woman Director remains pending with the Government of India. Further, the Company could not re-constitute the aforesaid Statutory Committees due to the non-appointment of Independent Directors, which will be done once the requisite number of Independent Directors are appointed. The Company had forwarded intimations to the Stock Exchanges viz., NSE & BSE explaining the position of the Company with respect to non-compliance of Corporate Governance conditions of SEBI LODR Regulations. BSE vide their communication on April 19, 2021 waived the fine levied on the Company. The fines are levied as per the SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 which provides that the Stock Exchanges shall take uniform action in consultation with each other. Further, NSE has not taken any further action under the SEBI LODR Regulations in this regard.

## Internal Auditor

135.The Board has appointed M/s. Varma & Varma, Chartered Accountants, Kochi, to conduct Internal Audit for the financial year 2020-21.

## Annual Return

136.The annual return of the Company as required under Section 92(3) of the Companies Act, 2013 is available in the website of the Company at <https://cochinshipyard.in/Investors>

## Investor Services

137.The shares of the Company are listed in BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). CSL has paid listing fees to BSE and NSE on time. Link Intime India Private Limited are the Registrar & Transfer Agents in respect of these equity shares. The tax free bonds issued by the Company in 2013-14 are fully dematerialized with both the depositories, NSDL and CDSL. These bonds are listed on Wholesale Debt Market ("WDM") segment of BSE. CSL has paid the listing fees to BSE on time in respect of these bonds. Link Intime India Private Limited is the Registrar & Transfer Agents and SBICAP Trustee Company Limited is the Debenture Trustees in respect of these bonds.

## Vigilance

138.Vigilance department functions advocating transparency, equity and competitiveness in all procurement. Important CVC guidelines are discussed with Heads of Departments for its strict compliance. Emphasis was given to vigilance sensitization among the officers and supervisors for preventive vigilance.

139.Vigilance Department scrutinizes the audit paras of both Internal as well as CAG audit on quarterly basis and action taken on issues related to vigilance angle, if any. Various systemic improvements achieved through vigilance initiatives during the year includes, updation of vendor list, provision for online registration of new vendors, monitoring of contract closing, addition and review of new vendor list on monthly basis, introduction of bill tracking system to enhance transparency, emphasis on e-procurement, online scrutiny of property returns of executives & supervisors, systematic disposal of shipbuilding & ship repair steel scraps for ensuring grade transparency. Various contract details were also scrutinized by collecting data from different departments. Based on audit report, the files related to MoU with M/s. SEDS and award of consultancy contract of ISRF and dry-dock were scrutinized. After scrutiny, reports were sent to CMD, Ministry and CVC.

140.Vigilance sensitization programmes – Vigilance Awareness Week observed in a befitting manner as directed by the Commission strictly in compliance with COVID-19 protocol. A training session was conducted for the CSL Officers on the subject "Business Ethics" on October 27, 2020 by

Shri Rajendran K, CVO, CSL through video conferencing. Essay competitions, slogan competitions and drawing competitions were conducted for employees and wards of CSL through online mode. An online vendor redressal programme was also arranged for the suppliers and contractors of CSL through video conferencing on October 30, 2020.

141.Vigilance Department is scrutinizing the selection process of candidates for various posts. Further, due to the pandemic concerns, Vigilance department has conducted four surprise/periodic inspection for the year in various areas of operations and suggested corrective actions on vigilance angle. All reports to the Central Vigilance Commission are submitted in time and no reference is pending with CVC.

## Right to Information Act

142.In order to promote transparency and accountability, your Company has implemented the provisions of the RTI Act, 2005 in its true letter and spirit and an appropriate mechanism has been set up in the Company with a dedicated centralised RTI Cell to provide information to the citizens under the provisions of this Act. All the RTI applications and the appeals received both online and offline during the year 2020-21 have been processed and information was provided in a time bound manner as stipulated in the Act.

143.There have been no instances of non-compliance by the Company. No penalties or strictures were imposed on the Company by any statutory authority during the last three years with respect to RTI.

## Vigil Mechanism

144.The Cochin Shipyard Vigil Mechanism and Whistle Blower Policy of CSL adopted by the Board of Directors at their 228th Meeting held on December 14, 2016 was functioning as the Vigil Mechanism of CSL. Further, in line with the guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, CSL had adopted Fraud Prevention and Detection Policy at the 214th Board Meeting held on September 16, 2014. Since the larger objective of both policies was similar, CSL adopted a combined policy viz., Whistle Blower and Fraud Prevention Policy at the 252nd Board Meeting held on November 12, 2019. The Whistle Blower and Fraud Prevention Policy of CSL is available at the link <https://cochinshipyard.in/Investors>

## Details of frauds reported by Auditors under Section 143

145.Nil.



Particulars of loans, guarantees or investments

146.During the year under Report, the Company has not

- a) given any loan to any person or other body corporate except as stated below;
- b) given any guarantee or provided security in connection with a loan to any other body corporate or person; and
- c) acquired by way of subscription, purchase or otherwise, the securities of any other body corporate, as prescribed under Section 186 of the Companies Act, 2013, except as stated below:

Name of the Company	Description of Investment	Amount (₹ crores)
Hooghly Cochin Shipyard Limited	Unsecured Loan*	10.00
	Equity Shares	28.00
	Cumulative Redeemable Preference Shares	56.00
Tebma Shipyards Limited	Unsecured Loan	5.00
	Equity Shares	65.00

\*Repaid in February, 2021

Material changes and commitments

147.No material changes and commitments, affecting the financial position of the Company, have occurred between the end of the financial year of the Company and the date of this Report.

Details of change in nature of business

148.There has been no change in the nature of business of the Company during the year under report.

Deposits

149.Your Company has not accepted any deposits from the public under Chapter V of the Companies Act, 2013.

Secretarial Standards

150.The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Significant and Material orders

151.No significant and material orders were passed by the regulators or any courts or tribunals impacting the going concern status of the Company and affecting its operations.

Business Responsibility Report

152.The Securities and Exchange Board of India (SEBI) has mandated inclusion of Business Responsibility Report (“BR Report”) as part of the Annual Report for top 1000 listed entities based on market capitalization vide Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. SEBI has also prescribed a format for BR Report. It also contains a list of nine key principles and various core elements under each principle to assess compliance with environmental, social and governance norms. The Company’s BR Report for the year forms part of the Annual Report.

Acknowledgement

153.The Board of Directors are extremely thankful for the continued patronage and support extended by the Hon’ble Minister of State (Independent Charge) for Shipping and all officials of the Ministry of Ports, Shipping and Waterways. The Board would also like to express their grateful appreciation for the support and co-operation from various offices of the Government of India, Government of Kerala, Government of West Bengal, Government of Maharashtra, Andaman and Nicobar Administration, various local bodies, the Comptroller & Auditor General of India, Statutory Auditors, Secretarial Auditors, Cost Auditors, Internal Auditors, Suppliers, Sub-contractors, Company’s Bankers and our valued customers. The Board also places on record its appreciation for the contribution and support extended by all employees of Cochin Shipyard Limited. Your Directors express their appreciation and gratitude to all the shareholders/investors for the trust and confidence reposed in the Company and look forward to their continued support and participation in sustaining the growth of the Company in the coming years.

For and on behalf of the Board of Directors

Kochi  
June 11, 2021

**Madhu S Nair**  
Chairman & Managing Director  
DIN: 07376798

Annexure I

A. Conservation of Energy

a. Steps taken or impact on conservation of energy during the year 2020-21.

Steps Taken

- Replaced 3 nos. old oil cooled power transformers with dry type transformers thereby reducing no load losses and improving efficiency of transformers.
- Replaced Metal Halide (MH) light fittings of various high mast with energy efficient LED fittings.
- Replaced high pressure mercury vapour light fittings with LEDs at various bays of Hull Shop, SSD area & Ship Repair Shops.
- Replaced MV/MH lights of building dock and repair dock walkway with LED floodlights and well glass lights.
- Replaced MH light fittings of LLTT/gantry cranes with energy efficient LED lights.
- Provided VRF air-conditioning system at Ship Repair office by replacing conventional split system.
- Leakages in the compressed air distribution system and other industrial gas lines are regularly monitored and rectified.
- Electrification of new buildings is carried out with LED lights instead of conventional discharge lamps.
- Switching off main air compressor during lunch break.
- Switching off main power supply to shops, quays, & docks momentarily at 12:15 hrs. This trips man coolers, roof extractors (controlled through starters) etc., which are not required during the lunch break.
- Displayed energy saving stickers & posters, conducted seminar and quiz competition for inculcating awareness among employees for energy conservation aimed at optimum use of electric power.
- Power factor is continuously monitored and maintained near unity.

Impact

Energy saving is approx. 8.4 lakhs units per annum with the implementation of measures specified above.

b. Steps taken for utilizing alternate sources of energy.

- Installed 450 kWp grid connected solar power plant at roof top of OW and Bonded store & 200 kWp grid connected solar power plant at roof top of various buildings during the year 2020-21 in addition to the existing 835 kWp grid connected solar power plant. With this, the total installed capacity of solar power plants in CSL has become 1485 kWp.
- Installed 70 kWp grid connected solar power plant at roof top of Marine Engineering Training Institute, Girinagar and 9 kWp grid connected solar power plant at Samudrika, Panampilly Nagar (outside CSL premises).
- 12.19 lakhs units of energy was generated from the solar power plants during the year 2020-21.
- An amount of approximately ₹148 lakhs have been invested for conservation of energy.

c. Capital investment on energy conservation equipments



B. Technology Absorption, Adaptation and Innovation

- a. Efforts made towards technology absorption.

- Implemented Blender, an open source software tool, which is used to render high quality 3D renderings of Concept/Basic Design projects.
  - External workshops/training provided in:
    - Six day online course organised by Maritime Research Institute Netherlands (MARIN) on Hydrodynamics in Ship Design. The course consisted of wide range of topics including Resistance & Propulsion, Propeller Cavitation & Tests, Computational Fluid Dynamics in Ship Design, Seakeeping and Manoeuvring.
    - Online training organised by Indian Register of Shipping (IRS) on Naval Architecture. The course consisted of topics such as ship stability, IMO regulations etc.
  - In-house development of 3D model, functional drawings & production drawings for hull, machinery and electrical & accommodation systems for KMRL ferry and 8000 T Multi-purpose General cargo ship, FBOP, ASW corvette were carried out.
  - Installation of 3D EXPERIENCE shipbuilding software has been completed. Implementation and deployment of 3D EXPERIENCE shipbuilding software solutions for hull structure, electrical, machinery, piping, HVAC, accommodation outfit & project management are in progress.
  - Procured ETAP software which is used for analysing, managing and simulating marine vessels, off shore platforms and shipbuilding power systems. The software is capable of performing complex electrical system design and calculations like the load flow, short circuit, harmonic analysis, transient stability, cable sizing etc.
  - Software upgrades for “Cable Manager” – In-house developed cable scheduling and nesting software for usage onboard projects.
  - Software upgrades for “SRtP Manager” – In-house developed design tool to assess and ensure that the required stipulations of the class notation Safe Return to Port (SRtP) for 1200 Pax project are met with.
  - In-house development of “IHM Manager” – Software to manage “Inventory of Hazardous Materials” for ongoing projects.
  - Association with M/s. Kongsberg Maritime for knowledge acquisition regarding interface requirements of various equipment for future autonomous operation of the Auto barge being built for M/s. ASKO.
- b. Efforts made towards Technology Innovation.

- Development of NAPA software code for automatic generation of loading conditions and intact & damage stability criteria check of these loading conditions.
  - Development of Basic Design of tugs (five standard designs for Tugs for IPA) in collaboration with Robert Allan Ltd., a leading Canadian Design Firm, specialized in Tug Design.
  - Development of three standard designs for Fishing vessels for Government of India.
  - Developed concept design of 12m Autonomous Surface Vessel as feasibility study project.
  - Developed concept design of Hydrogen powered fuel cell passenger ferry boat.
  - Performed structural analysis of KMRL Catamaran ferry during lifted conditions, using Simulia, Finite Element Analysis tool that was procured as part of 3D EXPERIENCE Platform.
  - Developed concept design of battery powered Ro-Ro vessel.
  - Developed concept design for 80 Pax River Cruise Vessel for operation in Ayodhya.
  - Developed concept design for 3000 T Inland Cargo carrier for operation in NW1, NW2 and Indo Bangladesh protocol route.
  - Development of concept design of Cadet Training Ship (CTS) for Indian Navy.
  - Developed concept design for Submersible Testing Platform using a modular concept.
  - Development of concept design of 5500 T Bulk carrier.
  - Development of concept design of a Hospital ship.
  - Development of concept design of wind assisted Bulk carrier.
  - Development of concept design of Landing Craft.
  - Development of concept design of Offshore paint barge

Disclosure of particulars in respect of absorption

a. Benefits derived like product improvement, cost reduction, product development or import substitutions.	<ul style="list-style-type: none"><li>Increased flexibility for performing design iterations for developing optimized products by having in-house software codes, FEA and CFD capability.</li><li>Access to clientele and enhanced credibility on account of high quality design solutions.</li><li>Enhanced competence in design by collaborating with specialized and leading firms.</li></ul>
b. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) following information may be furnished.	
i. The details of technology imported	ETAP software for analysing, managing and simulating marine power systems.
ii. The year of import	2020-21
iii. Whether the technology been fully absorbed	The above is currently under set up and implementation can be considered as technology undergoing absorption.
iv. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Training yet to be imparted.
c. Expenditure incurred on Research and Development	Nil

C. Foreign Exchange Earnings and Outgo

	(₹ Lakhs)	
Income from Foreign Exchange	2020-21	2019-20
From Shipbuilding	6,588.02	0.00
From Ship repair	549.57	345.70
<b>Total</b>	<b>7,137.59</b>	<b>345.70</b>
Expenditure in Foreign Exchange		
Materials (CIF Value)	59,001.52	1,02,864.31
Design & Documentation	132.63	116.52
Service Charge & Others	6,220.45	10,528.97
<b>Total</b>	<b>65,354.60</b>	<b>1,13,509.80</b>

For and on behalf of the Board of Directors

Kochi  
June 11, 2021

**Madhu S Nair**  
Chairman & Managing Director  
DIN: 07376798



# Annexure II

## Form No. AOC-2

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

Form for disclosure of particulars of contracts/agreements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm’s length basis		
(a)	Name(s) of the related party and nature of relationship	Nil
(b)	Nature of contracts/arrangements/transactions	Nil
(c)	Duration of the contracts/arrangements/transactions	Not Applicable
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable
(e)	Justification for entering into such contracts or arrangements or transactions	Not Applicable
(f)	Date(s) of approval by the Board	Not Applicable
(g)	Amount paid as advances, if any	Not Applicable
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Applicable
2. Details of material contracts or arrangements or transactions at arm’s length basis		
(a)	Name(s) of the related party and nature of relationship	Nil
(b)	Nature of contracts/arrangements/transactions	Nil
(c)	Duration of the contracts/arrangements/transactions	Not Applicable
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable
(e)	Date(s) of approval by the Board, if any	Not Applicable
(f)	Amount paid as advances, if any	Not Applicable

For and on behalf of the Board of Directors

Kochi  
June 11, 2021

**Madhu S Nair**  
Chairman & Managing Director  
DIN: 07376798

# Annexure III

## REPORT ON CORPORATE SOCIAL RESPONSIBILITY

### 1. Brief outline on CSR Policy of the Company

The CSR activities in the Company for the year 2020-21 were undertaken in line with the statutory provisions under the CSR Rules and the guidelines issued by the Department of Public Enterprises for Central PSUs, the CSR Policy of the Company and the Standard Operating Procedure adopted by the Company for CSR management. As per the CSR policy of the Company, for administrative convenience, the Company operates the projects under the categories of Minor projects, which are urgent in nature having value of ₹10 lakhs or less with the approval of Chairman & Managing Director, limited to 10% of total spend. All other projects were categorised as Major projects. 5% of the total spend is earmarked towards administrative overheads, which includes salary, expenditure on training and travel by CSR staff working in the Department.

Theme for the year: Towards creation of assets in line with national priorities/ needs of the society, as advised by the DPE,

priority was given for projects on Healthcare and Nutrition. Priority was also extended to aspirational district - Wayanad.

### 2. Composition of CSR Committee

The Corporate Social Responsibility & Sustainable Development (CSR & SD) Committee of the Board recommends the CSR projects from time to time for the approval of the Board. The Independent Directors of the Company had vacated their office with effect from July 15, 2020 on completion of tenure of their appointment prescribed by the Government of India. Hence pending appointment of new Independent Directors, the Company could not re-constitute CSR & SD Committee. Accordingly, from July 15, 2020 onwards, the CSR proposals were considered directly by the Board of Directors of the Company based on the recommendations of below Board level CSR Executive Committee. The Composition of the CSR & SD Committee as on July 14, 2020 is given below:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR & SD Committee	
			held during the year	attended during the year
1	Shri Jiji Thomson IAS (Retd.) (DIN: 01178227)	Non-Official Part Time (Independent) Director - Chairman	1	1
2	Shri Nandakumaran Puthezhath (DIN: 02547619)	Non-Official Part Time (Independent) Director - Member	1	1
3	Shri Bejoy Bhasker (DIN: 08103825)	Director (Technical) - Member	1	1
4	Shri Jose V J (DIN: 08444440)	Director (Finance) - Member	1	1

### 3. Web-link where Composition of CSR & SD Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company

<https://cochinshipyard.in/Investors>

### 4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

Not Applicable for the reporting period

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

Nil



6. Average net profit of the Company as per section 135(5) of the Companies Act, 2013 (“Act”) : ₹73,988.26 Lakhs

7. a. Two percent of average net profit of the Company as per section 135(5) of the Act : ₹1,479.77 Lakhs
- b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Nil
- c. Amount required to be set off for the financial year, if any : Nil
- d. Total CSR obligation for the financial year (7a + 7b - 7c) : ₹1,479.77 Lakhs

8. a. CSR amount spent or unspent for the financial year
- Total Amount Spent : ₹1,526.98 Lakhs
- Amount Spent : Nil
- b. Details of CSR amount spent against ongoing projects for the financial year : ₹822.90 Lakhs
- c. Details of CSR amount spent against other than ongoing projects for the financial year : ₹643.39 Lakhs
- The details of CSR amount spent against ongoing projects and other than ongoing projects for the financial year in the prescribed format are placed at **Annexure A** and **B** respectively to this Report.
- d. Amount spent in Administrative Overheads : ₹60.69 Lakhs
- e. Amount spent on Impact Assessment, if applicable : N.A.
- f. Total amount spent for the financial year (8b + 8c + 8d + 8e) : ₹1,526.98 Lakhs

g. Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5) of the Act	1,479.77 Lakhs
(ii)	Total amount spent for the financial year	1,526.98 Lakhs
(iii)	Excess amount spent for the financial year [(ii) - (i)]	47.21 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years as decided by the Board	40.00 Lakhs

9. a. Details of Unspent CSR amount for the preceding three financial years : Nil
- b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) : ₹200.50 Lakhs
- The details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) in the prescribed format is placed at **Annexure C** to this Report.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

Not Applicable

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) of the Act

Not Applicable

**Madhu S Nair**  
Chairman & Managing Director  
DIN: 07376798

Annexure A

Details of CSR amount spent against ongoing projects for the financial year 2020-21

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project			Project Duration	Amount allocated for the Project (in ₹ Lakhs)	Amount spent in the current financial year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act (in ₹ Lakhs)	Mode of implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
1	Support for Construction of Jija Mata Women and Children Hospital, District Buldhana, Maharashtra 2nd Phase	Cl. (i) promoting health	No	Maharashtra	Buldhana		1 year	200.00	-	200.00	Jija Mata Women and Children Hospital, District Buldhana, Maharashtra	N.A.
2	Support for Maintenance and Management of Subash Park, Ernakulam and Koithara Park, Panampilly Nagar, Kochi	Cl. (i) Swachh Bharat Abhiyan of Col	Yes	Kerala	Ernakulam		1 year	96.00	64.00	32.00	C Hed, Kochi	N.A.
3	Support for Construction of one floor for sports hostel under Khelo India at Sree Durga Vilasam HSS, Peramangalam, Thrissur District	Cl. (viii) training to promote rural sports; nationally recognised sports, paralympic sports and olympic sports	Yes	Kerala	Thrissur		1 year	30.00	-	30.00	Sree Durga Vilasam HSS, Peramangalam, Thrissur District	N.A.
4	Support for Smart Class Rooms at Government Higher Secondary School, Munderi, Kannur District	Cl. (ii) promoting education	Yes	Kerala	Kannur		1 year	59.00	29.50	29.50	Secretary, Kannur District Panchayat	N.A.
5	Support for Construction of Seaworthy Marine Rescue Ambulance to Department of Fisheries, Government of Kerala	Cl. (i) promoting health	Yes	Kerala	Pan Kerala		1 year	280.00	252.00	28.00	Department of Fisheries, Government of Kerala	N.A.
6	Support for Soil-less Median Gardening using bio-waste, greening 16 medians of Kochi Metro Rail between Pillars 704 to 720 at M C Road, Ernakulam	Cl. (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water	Yes	Kerala	Ernakulam		1 year	42.15	14.96	27.19	Pelican Foundation, Kochi	N.A.



Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Location of the Project			Local Area Yes/No	Project Duration	Amount allocated for the Project (in ₹ Lakhs)	Amount spent in the current financial year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act (in ₹ Lakhs)	Mode of implementation - Through Implementing Agency		
			State	District							Mode of implementation - Direct (Yes/No)	Name	CSR Registration Number
7	Support for Construction of Manikanda Gurukulam Tribal Hostel at Sabari Saranasaramam, Koonamkara, Pathanamthitta District	CL (iii) setting up of homes and hostels for women and orphans	Kerala	Pathanamthitta	1 year	Yes	50.00	25.00	25.00	25.00	No	Sabari Saranasaramam, Koonamkara, Pathanamthitta District	N.A.
8	Support for Construction of 10 Rooms in the Ground Floor at Guardian Angel Peace Mission for Palliative Care, Nedumbassery, Ernakulam District	CL (i) promoting health	Kerala	Ernakulam	1 year	Yes	50.00	25.00	25.00	25.00	No	Guardian Angel Peace Mission for Palliative Care, Nedumbassery, Ernakulam District	N.A.
9	Infrastructure Support for Oxygen Distribution Facility in Government Health Care Institutions in Ernakulam District	CL (i) promoting health	Kerala	Ernakulam	1 year	Yes	50.00	25.00	25.00	25.00	No	National Health Mission, Ernakulam	N.A.
10	Support for Construction of Jija Mata Women and Children Hospital, District Buldhana, Maharashtra 1st Phase	CL (i) promoting health	No	Maharashtra	Buldhana	1 year	200.00	-	24.13	24.13	No	Jija Mata Women and Children Hospital, District Buldhana, Maharashtra	N.A.
11	Support for Set up Four Anganwadi Projects at Wayanad District	CL (i) Eradicating hunger, poverty and malnutrition	Yes	Kerala	Wayanad	1 year	120.00	16.00	24.00	24.00	No	District Administration, Wayanad	N.A.
12	Support for Construction of a Container Toilet Complex at Jose Junction, M G Road, Ernakulam	CL (i) Swachh Bharat Abhiyan of Col	Yes	Kerala	Ernakulam	1 year	30.00	7.50	22.50	22.50	No	Better Kochi Response Group (BKRC), Kochi	N.A.
13	Conservation of Whale shark in Kerala and Lakshadweep Islands	CL (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water	No	Pan India	Pan India	1 year	40.00	-	20.00	20.00	No	Wildlife Trust of India, New Delhi	N.A.

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project			Project Duration	Amount allocated for the Project (in ₹ Lakhs)	Amount spent in the current financial year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act (in ₹ Lakhs)	Mode of implementation - Through Implementing Agency		
				State	District						Mode of implementation - Direct (Yes/No)	Name	CSR Registration Number
14	Support for Construction of Viveka Tirta by Sree Rama Krishna Math, Belur Math, Kolkata	CL (ii) promoting education	No	West Bengal	Kolkata	1 year	120.00	-	20.00	20.00	No	Sree Rama Krishna Math, Belur Math, Kolkata	N.A.
15	Support for Renovation of Park at Kumbalangi Grama Panchayath	CL (i) Swachh Bharat Abhiyan of Col	Yes	Kerala	Emakulam	1 year	20.00	-	20.00	20.00	No	Secretary, Kumbalangi Grama Panchayat	N.A.
16	Support for Construction of Second floor of Karunya Pain and Palliative Care hospital, Parappur, Thrissur District	CL (i) promoting health	Yes	Kerala	Thrissur	1 year	20.00	-	20.00	20.00	No	Karunya Palliative Care Charitable Trust, Parappur, Thrissur District	N.A.
17	Support for Swim for Life Project	CL (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	Yes	Kerala	Ernakulam	1 year	20.00	-	20.00	20.00	No	Better Kochi Response Group (BKRC), Kochi	N.A.
18	Support for the Establishment of Pipeline Pumpset and Drinking Water Tank for En Uru Tribal Village, Wayanad	CL (i) promoting health	Yes	Kerala	Wayanad	1 year	20.00	-	20.00	20.00	No	Sub Collector, Mananthawady	N.A.
19	Support for Upkeep and Maintenance of Revived Ponds under the Harithakeralam Project in Ernakulam District	CL (i) Swachh Bharat Abhiyan of Col	Yes	Kerala	Ernakulam	1 year	35.00	17.50	17.50	17.50	No	District Administration, Ernakulam	N.A.
20	Support for Advanced Surgical Oncology Centre for Indira Gandhi Co Operative Hospital, Kadavanthra, Ernakulam District	CL (i) promoting health	Yes	Kerala	Ernakulam	1 year	35.00	17.50	17.50	17.50	No	Cochin Co Operative Hospital Society, Kadavanthra, Kochi	N.A.
21	Support for Procuring 50 seater Marine Boat to Vivekananda Rock Memorial Trust, Kanyakumari, Tamil Nadu	CL (v) protection of national heritage, art and culture	No	Tamil Nadu	Kanyakumari	1 year	60.00	-	17.00	17.00	No	Vivekananda Rock Memorial Trust, Kanyakumari, Tamil Nadu	N.A.
22	Support for Renovation and Completion of the Building Block at Diwarakshalayam, Mylacombu, Thodupuzha, Idukki District	CL (iii) setting up of homes and hostels for women and orphans	Yes	Kerala	Idukki	1 year	30.00	15.00	15.00	15.00	No	Diwarakshalayam, Mylacombu, Thodupuzha, Idukki	N.A.



Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Project Duration	Amount allocated for the Project (in ₹ Lakhs)	Amount spent in the current financial year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District						Name	Registration Number
23	Support for Construction of Relief and Rehabilitation Centre at Sri Ramakrishna Seva Asramam, Kaloor, Ernakulam District	Cl. (i) promoting health	Yes	Kerala	Ernakulam	1 year	30.00	15.00	15.00	No	Sri Ramakrishna Seva Asramam, Kaloor, Ernakulam	N.A.
24	Support for Skill Development in Welding Technology for Unemployed Youth who Belong to BPL Families 4th Phase	Cl. (ii) and (iii) Livelihood enhancement projects and measures for reducing inequalities faced by Socially & economically backward groups	Yes	Kerala	Ernakulam	1 year	30.00	15.00	15.00	No	Don Bosco Tech, Vaduthala, Ernakulam	N.A.
25	Support for Installation of Fixed Fire Fight System for Vivekananda Tribal Residential Vidyalaya, Mattilayam, Vellamunda, Wayanad District	Cl. (ii) and (iii) Livelihood enhancement projects and measures for reducing inequalities faced by Socially & economically backward groups	Yes	Kerala	Wayanad	1 year	25.00	-	12.50	No	Girijana Seva Trust, Vellamunda, Wayanad	N.A.
26	Support for Construction of Toilet and Waiting Area for District Homoeo Hospital Palleppady, Ernakulam	Cl. (i) promoting health	Yes	Kerala	Ernakulam	1 year	12.00	-	12.00	No	District Medical Officer, Homeo, Ernakulam	N.A.
27	Support for Skill Development in Welding Technology for Unemployed Youth who Belong to BPL Families 3rd Phase	Cl. (ii) and (iii) Livelihood enhancement projects and measures for reducing inequalities faced by Socially & economically backward groups	Yes	Kerala	Ernakulam	1 year	35.00	-	10.54	No	Don Bosco Tech, Vaduthala, Ernakulam	N.A.
28	Support for Swachh Bharat Mission Related Activities by Palakkad Municipality	Cl. (i) Swachh Bharat Abhiyan of Gol	Yes	Kerala	Palakkad	1 year	100.00	-	10.00	No	Secretary, Palakkad Municipality	N.A.
29	Support for Renovation of Toilet Complex at Kendriya Vidhyalaya, Port Trust, Kochi	Cl. (i) Swachh Bharat Abhiyan of Gol	Yes	Kerala	Ernakulam	1 year	10.00	-	10.00	No	Kendriya Vidhyalaya, Port Trust, Kochi	N.A.

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Project Duration	Amount allocated for the Project (in ₹ Lakhs)	Amount spent in the current financial year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District						Name	Registration Number
30	Support for Replacement of Asbestos Sheets at St. Philomina's Higher Secondary School, Koonammavu, Ernakulam District	Cl. (ii) promoting education	Yes	Kerala	Ernakulam	1 year	10.00	-	10.00	No	St. Philomina's Higher Secondary School, Koonammavu, Ernakulam	N.A.
31	Support for Construction of Fishermen Relief Centre at Chellanam, Ernakulam District	Cl. (ii) and (iii) Livelihood enhancement projects and measures for reducing inequalities faced by Socially & economically backward groups	Yes	Kerala	Ernakulam	1 year	20.00	10.00	10.00	No	Chellanam Mathiya Thozhilali Vikasana Sahakarana Sangham, Chellanam, Ernakulam	N.A.
32	Support for Construction of a Hall and for Laying Tiles in 4 Classrooms and in Veranda at S V U P School, Nettoor, Ernakulam District	Cl. (ii) promoting education	Yes	Kerala	Ernakulam	1 year	20.00	10.00	10.00	No	S V U P School, Nettoor, Ernakulam	N.A.
33	Support for Construction of a Building for Free Accommodation of Destitute Women, Jeramiah's Home Betroni Palliative Care Centre Charitable Trust, Ochanthuruth, Vypin, Ernakulam	Cl. (i) promoting health	Yes	Kerala	Ernakulam	1 year	20.00	10.00	10.00	No	Jeramiah's Home Betroni Palliative Care Centre Charitable Trust, Ochanthuruth, Vypin, Ernakulam	N.A.
34	Support for Distribution of Refrigerated Mobile Fish Vending Kiosks for Fisherwomen across Kerala by Central Institute of Fisheries Technology (CIFT)	Cl. (ii) and (iii) Livelihood enhancement projects and measures for reducing inequalities faced by Socially & economically backward groups	Yes	Kerala	Pan Kerala	1 year	17.00	8.50	8.50	No	Central Institute of Fisheries Technology (CIFT), Koch	N.A.
35	Support for Integrated Intervention for Paniya Communities in Wayanad District by M S Swaminathan Foundation	Cl. (ii) and (iii) Livelihood enhancement projects and measures for reducing inequalities faced by Socially & economically backward groups	Yes	Kerala	Wayanad	1 year	15.00	-	7.50	No	M S Swaminathan Foundation, Wayanad	N.A.

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Project Duration	Amount allocated for the Project (in ₹ Lakhs)	Amount spent in the current financial year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)		Name	CSR Registration Number
				State	District								
36	Support for Implementation of Miyawaki Method Afforestation in a Vacant Plot Near CSL Residential Quarters by Nature's Green Guardians Foundation, Thiruvananthapuram	CL (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water	Yes	Kerala	Ernakulam	1 year	15.00	3.75	7.50	No		Nature's Green Guardians Foundation, Thiruvananthapuram	N.A.
37	Support for Procuring an Ambulance to Kaniyampatta Grama Panchayat, Wayanad District	CL (i) promoting health	Yes	Kerala	Wayanad	1 year	7.50	-	7.50	No		Secretary, Kaniyampatta Grama Panchayat, Wayanad	N.A.
38	Support for Procuring Medical Ambulance for Hrudaya Palliative Care Vellikulangara, Thrissur District	CL (i) promoting health	Yes	Kerala	Thrissur	1 year	7.50	-	7.50	No		Hrudaya Palliative Care Vellikulangara, Thrissur	N.A.
39	Support for Construction of New Building for Sandeepani Seva Samithi, Guruvayoor, Thrissur District	CL (iii) setting up of homes and hostels for women and orphans	Yes	Kerala	Thrissur	1 year	70.00	63.00	7.00	No		Sandeepani Seva Samithi, Guruvayoor, Thrissur	N.A.
40	Support for Conducting a Unique Music Based Cultural Event Named Arts for Medicine in the Premises of General Hospital, Ernakulam, organized by Mehboob Memorial Orchestra, Kochi	CL (v) protection of national heritage, art and culture	Yes	Kerala	Ernakulam	1 year	7.00	0.94	6.06	No		Mehboob Memorial Orchestra, Kochi	N.A.
41	Support for Construction of Vocational Training Centre for Differently abled at Swasraya Special Child Development and Vocational Training Centre for Differently abled, Kuttur, Thrissur District	CL (ii) Promoting education, including special education	Yes	Kerala	Thrissur	1 year	58.00	25.50	5.79	No		Centre for Differently abled at Swasraya Special Child Development and Vocational Training Centre for differently abled, Kuttur, Thrissur	N.A.

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Project Duration	Amount allocated for the Project (in ₹ Lakhs)	Amount spent in the current financial year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)		Name	CSR Registration Number
				State	District								
42	Support for Improvement of School Library at St Antony's UPS, Palluruthi, Ernakulam District	CL (i) promoting health	Yes	Kerala	Ernakulam	1 year	5.00	-	5.00	No		St Antony's UPS, Palluruthi, Ernakulam	N.A.
43	Support for Drinking Water Scheme at En Uru Tribal Heritage Village, Wayanad	CL (i) promoting health	Yes	Kerala	Wayanad	1 year	10.00	-	5.00	No		Sub Collector, Mananthawady	N.A.
44	Support for Setting up 10 Smart Class Rooms and Indoor Sensory Park for Children with Challenges at Adarsh Charitable Trust, Kureekkad, Ernakulam District	CL (ii) Promoting education, including special education	Yes	Kerala	Emakulam	1 year	10.00	5.00	5.00	No		Adarsh Charitable Trust, Kureekkad, Ernakulam	N.A.
45	Support for Starting of Clinical Laboratory in the Charitable Dispensary attached to Sri Ramakrishna Ashrama, Thukalassery, Thiruvalla, Pathanamthitta District	CL (i) promoting health	Yes	Kerala	Pathanamthitta	1 year	10.00	5.00	5.00	No		Sri Ramakrishna Ashrama, Thukalassery, Thiruvalla, Pathanamthitta	N.A.
46	Support for Training of Ritualistic Traditional Art Forms Especially Percussion Art by Padmashree Kuzhur Marar Foundation, Thrissur District	CL (v) protection of national heritage, art and culture	Yes	Kerala	Thrissur	1 year	9.00	4.38	4.62	No		Padmashree Kuzhur Marar Foundation, Thrissur	N.A.
47	Support for Installation of 10 KWp Grid Connected Solar Power Plant for Sree Parvathi Janaseva Samithi, Choolissery, Thrissur District	CL (ii) Promoting education, including special education	Yes	Kerala	Thrissur	1 year	7.00	3.50	3.50	No		Sree Parvathi Janaseva Samithi, Choolissery, Thrissur	N.A.
48	Support for Construction of Art Gallery at Devan Kalagramam, Pallimmon, Kollam District	CL (v) protection of national heritage, art and culture	Yes	Kerala	Kollam	1 year	30.00	12.00	3.00	No		M V Devan Kalagramam, Pallimmon, Kollam	N.A.
49	Support for Construction of a Toilet Complex at SNDP Higher Secondary School, Udayamperoor, Ernakulam District	CL (i) Swachh Bharat Abhiyan of Gol	Yes	Kerala	Ernakulam	1 year	6.00	3.00	3.00	No		PTA, SNDP Higher Secondary School, Udayamperoor, Ernakulam	N.A.
50	Support for Replacement of Asbestos Sheet at CCPLM Anglo Indian HSS, Perumanoor, Kochi	CL (ii) promoting education	Yes	Kerala	Ernakulam	1 year	5.00	2.50	2.50	No		CCPLM Anglo Indian HSS, Perumanoor, Kochi	N.A.



Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Project Duration	Amount allocated for the Project (in ₹ Lakhs)	Amount spent in the current financial year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)		Mode of implementation - Through Implementing Agency	
				State	District							Name	CSR Registration Number
51	Support for Installation of Fire Fighting System Vivekananda Tribal Residential School, Mattiayam, Wayanad District	CL. (ii) promoting education	Yes	Kerala	Wayanad	1 year	5.00	2.50	2.50	No		Wayanad Girijana Seva Trust, Wayanad	N.A.
52	Support for construction of a new Library cum skill development centre to Kerala Pulayar Maha Sabha, V H. Colony, UC College P.O, Aluva	CL. (ii) promoting education	Yes	Kerala	Ernakulam	1 year	23.70	9.48	2.37	No		Kerala Pulayar Maha Sabha, V H. Colony, UC College P.O, Aluva	N.A.
53	Support for Construction of Houses for the Helpless and the Abandoned by PINC (Protecting Innocents with Commitment), Kalavoor, Alappuzha District	CL. (iii) setting up of homes and hostels for women and orphans	Yes	Kerala	Alappuzha	1 year	15.00	3.00	2.00	No		PINC (Protecting Innocents with Commitment), Kalavoor, Alappuzha	N.A.
54	Support for Construction of Building for physiotherapy Centre with Equipments' at Family Health Centre, Noolpuzha, Wayanad District	CL. (i) promoting health	Yes	Kerala	Wayanad	1 year	20.00	8.00	2.00	No		Hospital Management Committee, Family Health Centre, Noolpuzha, Wayanad	N.A.
55	Support for Renovation of Old Conference Hall at Pazhassiraja Smaraka Grandhalayam, Mananthawady, Wayanad District	CL. (ii) promoting education	Yes	Kerala	Wayanad	1 year	20.00	18.00	2.00	No		Pazhassiraja Smaraka Grandhalayam, Mananthawady, Wayanad	N.A.
56	Support for Procuring Class Room Furniture for the Pre - Primary Section at Government Higher Secondary School, Puthenthode, Ernakulam District	CL. (ii) promoting education	Yes	Kerala	Ernakulam	1 year	4.00	2.00	2.00	No		PTA, Government Higher Secondary School, Puthenthode, Ernakulam	N.A.
57	Support for Renovation of Office cum Community Centre Building for Hindu Mala Araya Trust, Ponekkara, Kochi	CL. (ii) and (iii) Livelihood enhancement projects and measures for reducing inequalities faced by Socially & economically backward groups	Yes	Kerala	Ernakulam	1 year	20.00	18.00	2.00	No		Hindu Mala Araya Trust, Ponekkara, Kochi	N.A.

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Project Duration	Amount allocated for the Project (in ₹ Lakhs)	Amount spent in the current financial year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)		Mode of implementation - Through Implementing Agency	
				State	District							Name	CSR Registration Number
58	Support for Construction of New Building and Other Facilities to the Flood Affected School at St. Sebastian's LP School, Gothuruth, Ernakulam District	CL. (ii) promoting education	Yes	Kerala	Ernakulam	1 year	15.00	13.50	1.50	No		PTA, Sebastian's LP School, Gothuruth, Ernakulam	N.A.
59	Support for Procurement of Maruti Eeco Ambulance for Madhavamrutham Trust, Mala, Thrissur District	CL. (i) promoting health	Yes	Kerala	Thrissur	1 year	7.50	6.29	1.21	No		Madhavamrutham Trust, Mala, Thrissur	N.A.
60	Support for Economically Weaker Students of Ananthamurthy Academy, Thiruvananthapuram	CL. (ii) promoting education	Yes	Kerala	Thiruvananthapuram	1 year	10.00	9.00	1.00	No		Ananthamurthy Academy, Thiruvananthapuram	N.A.
61	Support for Procuring Differently Abled Friendly Vehicle for Sakshana Kerala	CL. (i) promoting health	Yes	Kerala	Ernakulam	1 year	10.00	9.00	1.00	No		Sakshana Kerala	N.A.
62	Support for Procuring a Maruti Eeco Van for Thanal Palliative and Paraplegic Care Society, Pezhakkappilly, Muvattupuzha, Ernakulam District	CL. (i) promoting health	Yes	Kerala	Ernakulam	1 year	5.00	4.27	0.73	No		Thanal Palliative and Paraplegic Care Society, Pezhakkappilly, Muvattupuzha, Ernakulam	N.A.
63	Support for Procuring Vehicle for Alpha Palliative Care, an Initiative of Alpha Charitable Trust, Link Centre, Kodungallur, Thrissur District	CL. (i) promoting health	Yes	Kerala	Thrissur	1 year	5.00	4.34	0.66	No		Alpha Charitable Trust, Link Centre, Kodungallur, Thrissur	N.A.
64	Support for Construction of a Toilet Complex at Government Girls Higher Secondary School, Aluva, Ernakulam District	CL. (i) Swachh Bharat Abhiyan of Col	Yes	Kerala	Ernakulam	1 year	5.00	4.50	0.50	No		PTA, Government Girls Higher Secondary School, Aluva, Ernakulam	N.A.
65	Support for Procuring a Maruti Eeco Van for Sree Poornathrayeesa Vridhasadanam Charitable Trust, Thripunithura, Ernakulam District	CL. (i) promoting health	Yes	Kerala	Ernakulam	1 year	5.00	4.50	0.50	No		Sree Poornathrayeesa Vridhasadanam Charitable Trust, Thripunithura, Ernakulam	N.A.

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project			Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act (in ₹ Lakhs)			Mode of implementation - Through Implementing Agency		
				State	District	Project Duration	Amount allocated for the Project (in ₹ Lakhs)	Amount spent in the current financial year (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Name	CSR Registration Number	
66	Support for Construction of a Kids Park at St. Joseph Government LP School, Ayroor, Angamaly, Ernakulam District	CL. (ii) promoting education	Yes	Kerala	Ernakulam	1 year	0.98	0.49	0.49	No	PTA, St. Joseph Government LP School, Ayroor, Angamaly, Ernakulam	N.A.
TOTAL							2,379.33	822.90	920.79			

Annexure B

Details of CSR amount spent against other than ongoing projects for the financial year 2020-21

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Amount spent in the current financial year (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Support for Rasaranjanam - a Kathakali Performance by Thripunithura Kathakali Kendram	CL. (v) protection of national heritage, art and culture	Yes	Kerala	Ernakulam	0.60	No	Thripunithura Kathakali Kendram	N.A.
2	Support for Conducting Workshop/Lecture/ Demonstration in Schools/Colleges for Promoting Classical Music & Dance, Folk, Yoga, Screening Cinema Classics, Traditional Painting and other Art Forms by SPIC MACAY	CL. (v) protection of national heritage, art and culture	Yes	Kerala	Pan Kerala	1.00	No	SPIC MACAY, New Delhi	N.A.
3	Support for Honouring the Students who have Excelled in their Examination of Thrikkakara LA Constituency	CL. (ii) promoting education	Yes	Kerala	Ernakulam	1.00	No	Deputy Director of Education, Ernakulam	N.A.
4	Support for 'The Hindu Class Room Project' - an Initiative to Boost English Reading Habits among Children in Government Schools in Ernakulam District	CL. (ii) promoting education	Yes	Kerala	Ernakulam	1.35	No	The Hindu, Kochi Unit	N.A.



Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Location of the Project		Amount spent in the current financial year (in ₹ Lakhs)	Mode of implementation - Through Implementing Agency		
			Local Area Yes/No	State	District	Mode of implementation - Direct (Yes/No)	Name	CSR Registration Number
5	Support for an Elevator at Pratheeksha Bhavan - School for the Mentally Challenged at Thodupuzha, Idukki District	CL (ii) Promoting education, including special education	Yes	Kerala	Ernakulam	No	Pratheeksha Bhavan - School for the Mentally Challenged at Thodupuzha, Idukki	N.A.
6	Support for Renovation of School for Making them Suitable for Smart Class Room at K M L P School, Eroor, Thripunithura, Ernakulam District	CL (ii) promoting education	Yes	Kerala	Ernakulam	No	K M L P School, Eroor, Thripunithura, Ernakulam	N.A.
7	Support for modification of Soyus Library & Reading Room at Soyus Arts Club, Library & Reading Room, Safdar Hasmi Mandiram, K P Vallon Road, Kadavanthra, Kochi	CL (v) Setting up public libraries	Yes	Kerala	Ernakulam	No	Soyus Arts Club, Library & Reading Room, Kochi	N.A.
8	Support for a Solar Power Grid System at Karunalayam Destitute Home, Thrikkakara, Ernakulam District	CL (iii) setting up of homes and hostels for women and orphans	Yes	Kerala	Ernakulam	No	Karunalayam Destitute Home, Thrikkakara, Ernakulam	N.A.
9	Support for Procuring Blood Bank Refrigerator for IMA Voluntary Donor Blood Bank, Ernakulam	CL (i) promoting health	Yes	Kerala	Ernakulam	No	IMA, Ernakulam	N.A.

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Amount spent in the current financial year (in ₹ Lakhs)	Mode of implementation - Through Implementing Agency		
				State	District		Mode of implementation - Direct (Yes/No)	Name	CSR Registration Number
10	Support for Installation of Water Treatment Plant at Amrita High School, Moolavattom P. O, Kottayam District	CL (i) Swachh Bharat Abhiyan of GoI	Yes	Kerala	Kottayam	2.18	No	Amrita High School, Moolavattom P. O, Kottayam	N.A.
11	Support for Flood Victims for Promotion of Agriculture at Vellangallur Panchayat	CL (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	Yes	Kerala	Thrissur	2.26	No	Salim Ali Foundation, Thrissur	N.A.
12	Skill Building Support for the Hearing Impaired, Assissi School for Deaf, Muvattupuzha	CL (ii) promoting education	Yes	Kerala	Ernakulam	2.27	No	Assissi School for Deaf, Muvattupuzha, Ernakulam	N.A.
13	Support for Free Insulin for Type 1 Diabetic Children of BPL Families	CL (i) promoting health	Yes	Kerala	Ernakulam	2.50	No	Lourdes Hospital, Ernakulam	N.A.
14	Support for Infrastructure Development of Public Library, Thiruvankulam, Ernakulam District	CL (v) Setting up public libraries	Yes	Kerala	Ernakulam	2.50	No	Public Library, Thiruvankulam, Ernakulam	N.A.

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Amount spent in the current financial year (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
15	Support for Renovation of School Making them Suitable for Smart Class Room at Sahodaran Memorial High School, Cherai, Ernakulam District	CL (ii) promoting education	Yes	Kerala	Ernakulam	2.50	No	Sahodaran Memorial High School, Cherai, Ernakulam	N.A.
16	Support for Renovation of School Making them Suitable for Smart Class Room at SNDP HSS, Aluva, Ernakulam District	CL (ii) promoting education	Yes	Kerala	Ernakulam	2.50	No	SNDP HSS, Aluva, Ernakulam	N.A.
17	Support for Construction of School Building at St. Joseph's UP School, Karithala, Ernakulam District	CL (ii) promoting education	Yes	Kerala	Ernakulam	2.50	No	St. Joseph's UP School, Karithala, Ernakulam	N.A.
18	Support for School Renovation at SRV UP School, Perumpadappa, Chenthappinni, Thrissur District	CL (ii) promoting education	Yes	Kerala	Thrissur	2.50	No	SRV UP School, Perumpadappa, Chenthappinni, Thrissur	N.A.
19	Support for Construction of a Toilet Complex at Dr. B. R. Ambedkar Memorial UP School, Muttappally P. O, Kottayam District	CL (i) Swachh Bharat Abhiyan of Gol	Yes	Kerala	Kottayam	2.50	No	PTA, Dr. B. R. Ambedkar Memorial UP School, Muttappally P. O, Kottayam	N.A.

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Amount spent in the current financial year (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
20	Support for PK3 - Plastic Kurakkam Kurakkanam, Kurache Pattu to Reduce Plastic Under the Leadership of St. Teresas College, Ernakulam	CL (i) Swachh Bharat Abhiyan of Gol	Yes	Kerala	Ernakulam	2.70	No	St. Teresas College, Ernakulam	N.A.
21	Support for Maintenance and Management of Koithara Park, Panampilly Nagar, Kochi	CL (i) Swachh Bharat Abhiyan of Gol	Yes	Kerala	Ernakulam	3.00	No	C Hed, Kochi	N.A.
22	Support for Setting up of a Blood Bank at Thaluk Head Quarters Hospital, Mannarkad, Palakkad District	CL (i) promoting health	Yes	Kerala	Palakkad	3.50	No	HDC, Thaluk Head Quarters Hospital, Mannarkad, Palakkad	N.A.
23	Support for Renovation of Visiting Room of Child Friendly Police Station Building and Setting up of CCTV Camera at Ernakulam Town South Police Station	CL (ii) promoting education	Yes	Kerala	Ernakulam	4.50	No	Ernakulam Town South Police Station	N.A.
24	Additional Support for National Safety Council for Completion of Safety Industrial Skill Building Centre	CL (ii) promoting education	Yes	Kerala	Ernakulam	4.70	No	National Safety Council, Kerala Chapter	N.A.



Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Amount spent in the current financial year (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
25	Support for Purchase of Maruti Eeco Van to District Jail, Ernakulam, Kakkanad for Establishing Mobile Units for Running Food Unit	CL (i) promoting health	Yes	Kerala	Ernakulam	4.96	No	District Jail, Kakkanad	N.A.
26	Support for Purchase of a Vehicle for the NGO, Theruvoram, Kochi	CL (iii) setting up of homes and hostels for women and orphans	Yes	Kerala	Ernakulam	4.77	No	Theruvora Pravarthaka Association, Kochi	N.A.
27	Support for Purchase of Percussion Equipments for Training Students in Delhi	CL (v) protection of national heritage, art and culture	No	Delhi	Delhi	5.00	No	Delhi Panchavadya Trust, Delhi	N.A.
28	Support for Installation of Furniture for the Classes in New Building at Government Junior Basic School, Kunnukara, Ernakulam District	CL (ii) promoting education	Yes	Kerala	Ernakulam	5.00	No	PTA, Government Junior Basic School, Kunnukara, Ernakulam	N.A.
29	Support for Construction of a New School Building at SABTM LP School, Randarkara P.O, Muvattupuzha, Ernakulam District	CL (ii) promoting education	Yes	Kerala	Ernakulam	5.00	No	SABTM LP School, Randarkara P.O, Muvattupuzha, Ernakulam	N.A.
30	Support for Renovation of old School Building at SVLP School, Thekkumbhagam, Thripunithura, Ernakulam District	CL (ii) promoting education	Yes	Kerala	Ernakulam	5.00	No	SVLP School, Thekkumbhagam, Thripunithura, Ernakulam	N.A.

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Amount spent in the current financial year (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
31	Support for Creating Awareness and Educating Students, Youth, Women & Children and Senior Citizens in Cyber Security by Commissioner of Police, Kochi City	CL (ii) promoting education	Yes	Kerala	Ernakulam	5.00	No	Commissioner of Police, Kochi City	N.A.
32	Support for Renovation of Old School Building at SD V L P School, Maradu, Ernakulam District	CL (ii) promoting education	Yes	Kerala	Ernakulam	5.00	No	SD V L P School, Maradu, Ernakulam	N.A.
33	Support for Sainik Prashikshan – To train young minds for developing skills for career setting in defence services	CL (ii) promoting education	Yes	Kerala	Palakkad	5.00	No	Defence Service Officers Institute (DSOI), Palakkad	N.A.
34	Support for Construction of a Toilet Complex at V B U P S, Thrikkodithanam, Changanacherry, Kottayam District	CL (i) Swachh Bharat Abhiyan of Gol	Yes	Kerala	Kottayam	5.00	No	V B U P S, Thrikkodithanam, Changanacherry, Kottayam	N.A.
35	Support for Total Cleaning Program of Division 60 & 61 – Ravipuram along with Kochi Municipal Corporation, 2019-20	CL (i) Swachh Bharat Abhiyan of Gol	Yes	Kerala	Ernakulam	5.00	No	Kochi Municipal Corporation	N.A.

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Amount spent in the current financial year (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
36	Contribution For Armed Forces Flag Day Fund – Welfare of Ex-Servicemen, Indian Defence Forces, Kendriya Sainik Board, Ministry of Defence, Government of India	CL (vi) measures for the benefit of armed forces veterans, war widows and their dependents	No	Pan India	Pan India	5.00	No	Kendriya Sainik Board, Ministry of Defence, Government of India	N.A.
37	Support for Procuring PPE Kit for Government Medical College, Kottayam	CL (i) promoting health	Yes	Kerala	Kottayam	5.00	No	Government Medical College, Kottayam	N.A.
38	Support for Procuring Hand Sanitaizer for COVID-19 Activities	CL (i) promoting health	Yes	Kerala	Ernakulam	5.00	No	IMA, Ernakulam	N.A.
39	Support for purchase of PPE kits for Customs Department, working at airports	CL (i) promoting health	Yes	Kerala	Kerala	5.00	No	Customs Preventive Commissionerate, Cochin	N.A.
40	Support for Sradha Special School, Ernakulam	CL (ii) Promoting education, including special education	Yes	Kerala	Ernakulam	5.94	No	Sradha Special School, Ernakulam	N.A.
41	Support for Renovation and Construction of Training and Research Facility at Kerala State Productivity Council, Kalamassery, Ernakulam District	CL (ii) and (iii) Livelihood enhancement projects and measures for reducing inequalities faced by Socially & economically backward groups	Yes	Kerala	Ernakulam	7.50	No	Kerala State Productivity Council, Kalamassery, Ernakulam District	N.A.

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Amount spent in the current financial year (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
42	Support for Production and Distribution of Face Masks	CL (i) promoting health	Yes	Kerala	Ernakulam	7.92	No	Kerala Handloom Development Corporation (Hanveev), Kannur	N.A.
43	Support for establishing Censory Room at Buds Special School for Mentally Challenged, Koovalloor P.O, Pallarimangalam Grama Panchayath, Kothamangalam, Ernakulam District	CL (ii) Promoting education, including special education	Yes	Kerala	Ernakulam	9.50	No	Secretary, Pallarimangalam Grama Panchayat	N.A.
44	Support for Establishing a Cath Lab at the Cardiology Unit of A. P. Varkey Mission Hospital, Arakkunnam, Ernakulam District	CL (i) promoting health	Yes	Kerala	Ernakulam	10.00	No	A. P. Varkey Mission Hospital, Arakkunnam, Ernakulam	N.A.
45	Support for Renovation of Existing School Building at ALP School, Thiruvenkilom, Guruvayoor, Thrissur District	CL (ii) promoting education	Yes	Kerala	Thrissur	10.00	No	PTA, ALP School, Thiruvenkilom, Guruvayoor, Thrissur	N.A.



Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Amount spent in the current financial year (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
46	Support for Procuring Mobile Unit with Imaging Devised for Retinopathy of Prematurity (RO) Screening in Premature Infants cost of Vehicle and Equipments for SSM and Equipments for SSM Eye Research Foundation, Kadavanthra, Ernakulam District	CL (i) promoting health	Yes	Kerala	Ernakulam	12.00	No	SSM Eye Research Foundation, Kadavanthra, Ernakulam	N.A.
47	Support for Providing Fishnets and Long Liner Hooks for the identified Beneficiaries of Rameshwaram, Tamil Nadu	CL (iii) Livelihood enhancement projects and measures for reducing inequalities faced by Socially & economically backward groups	No	Tamil Nadu	Ramanathapuram	12.00	No	Deputy Director Fisheries, Tamil Nadu State	N.A.
48	Support for Construction of a Yoga Hall for Gayathry Vidya Mandir, Changanacherry, Kottayam District	CL (i) promoting health	Yes	Kerala	Kottayam	20.00	No	Gayathry Vidya Mandir, Changanacherry, Kottayam	N.A.
49	Support to COVID Relief activities	CL (i) promoting health	Yes	Kerala	Ernakulam	35.85	No	Cochin Shipyard Employees Consumer Co-operative Society Ltd.	N.A.

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Amount spent in the current financial year (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
50	Support for Plastic waste management system – to be located at land provided by Indian Navy at their premises. Waste generated by both the Navy and collected from local area to be used. To be implemented by District Administration, Indian Navy	CL (i) Swachh Bharat Abhiyan of Gol	Yes	Kerala	Ernakulam	38.00	No	District Administration, Ernakulam	N.A.
51	Support for Construction of Laboratories at Government HSS, Elamakkara, Ernakulam District	CL (ii) promoting education	Yes	Kerala	Ernakulam	40.00	No	PTA Government HSS, Elamakkara, Ernakulam	N.A.
52	Support for Construction of Ashwas Vocational Training Centre - a Vocational Training Centre for the Mentally Challenged at Kanjirapally, Kottayam District	CL (ii) Promoting education, including special education	Yes	Kerala	Kottayam	47.50	No	We Care Centre, Kanjirapally, Kottayam	N.A.
53	Support for Procurement of Aquatic Weed Harvester for Dal Lake, Jammu & Kashmir	CL (i) Swachh Bharat Abhiyan of Gol	No	Kashmir	Kashmir	50.00	No	Delhi Metro Rail Corporation Ltd.	N.A.

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Amount spent in the current financial year (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
54	Support for Sukarma Vikas Kendra – Residential School Project for Differently Abled Children by Sevabharathi Angamaly	Cl. (ii) Promoting education, including special education	Yes	Kerala	Ernakulam	75.00	No	Sevabharathi Angamaly	N.A.
55	Support for Purchase of a Full Room Ceiling Mount Digital X-Ray Machine at Taluk Head Quarters Hospital, Punaloor, Kollam District	Cl. (i) promoting health	Yes	Kerala	Kollam	89.00	No	HDC, Taluk Head Quarters Hospital, Punaloor, Kollam	N.A.
56	Support for Purchase of Two Maruti Eeco Basic Life Support Ambulances and Three Maruti Eeco Vehicles for Palliative Care Department at General Hospital, Ernakulam	Cl. (i) promoting health	Yes	Kerala	Ernakulam	14.55	No	Hospital Development Society, General Hospital, Ernakulam	N.A.
57	Support for Holistic Development of Children Affected by Drugs to AURA Social Work Organization, Chittissery, Thrissur District	Cl. (i) promoting health	Yes	Kerala	Thrissur	0.57	No	AURA Social Work Organization, Chittissery, Thrissur	N.A.
58	Support for Purchase of Computers and Water filters for SOS Children's Villages, Aluva and Thrissur	Cl. (i) promoting health & (ii) promoting education	Yes	Kerala	Thrissur and Ernakulam	5.67	No	SOS Children's Villages, Aluva and Thrissur	N.A.

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area Yes/No	Location of the Project		Amount spent in the current financial year (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
59	Support for Purchase of Radio Diagnostic Equipments to Taluk Head Quarters Hospital, Sulthan Bathery, Wayanad District	Cl. (i) promoting health	Yes	Kerala	Wayanad	22.50	No	Hospital Development Society, Taluk Head Quarters Hospital, Sulthan Bathery, Wayanad	N.A.
TOTAL						643.39			



Annexure C  
Details of CSR amount spent in the financial year 2020-21 for ongoing projects of the preceding financial year(s)

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total Amount allocated for the Project (in ₹ Lakhs)	Amount spent on the Project in the reporting financial year (in ₹ Lakhs)	Cumulative amount spent at the end of reporting financial year (in ₹ Lakhs)	Status of the Project
1	PROJ/09	Conservation of Whale shark in Kerala and Lakshadweep Islands	2017-18	2 years	40.00	-	20.00	Project completed. Bills awaited
2	PROJ/10	Support for Upkeep and Maintenance of Revived Ponds under the Harithakeralam Project in Ernakulam District	2017-18	3 years	35.00	17.50	17.50	Project completed. Bills awaited
3	PROJ/06	Support for Procuring 50 seater Marine Boat to Vivekananda Rock Memorial Trust, Kanyakumari, Tamil Nadu	2017-18	2 years	60.00	-	43.00	Project completed. Bills under process
4	PROJ/25	Support for Construction of Houses for the Helpless and the Abandoned by PINC (Protecting Innocents with Commitment), Kalavoor, Alappuzha District	2017-18	2 years	15.00	3.00	13.00	Project completed. Bills awaited
5	PROJ/07	Support for Construction of Jija Mata Women and Children Hospital, District Buldhana, Maharashtra	2018-19	2 years	200.00	-	175.87	Project completed. Bills under process
6	PROJ/19	Support for Skill Development in Welding Technology for Unemployed Youth who Belong to BPL Families 3rd Phase	2018-19	2 years	35.00	-	24.46	Project completed. Bills under process
7	SB/MJR/02	Support for Swachh Bharat Mission Related Activities by Palakkad Municipality	2018-19	2 years	100.00	-	90.00	Delay in completion due to COVID-19
8	MJR/377	Support for Smart Class Rooms at Government Higher Secondary School, Munderi, Kannur District	2019-20	2 years	59.00	29.50	29.50	Project completed. Bills under process

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total Amount allocated for the Project (in ₹ Lakhs)	Amount spent on the Project in the reporting financial year (in ₹ Lakhs)	Cumulative amount spent at the end of reporting financial year (in ₹ Lakhs)	Status of the Project
19	MJR/20	Support for Integrated Intervention for Paniya Communities in Wayanad District by M S Swaminathan Foundation	2019-20	2 years	15.00	-	7.50	Under progress. Delay due to COVID-19
20	MJR/28	Support for Implementation of Miyawaki Method Afforestation in a Vacant Plot Near CSL Residential Quarters by Nature's Green Guardians Foundation, Thiruvananthapuram	2019-20	2 years	15.00	3.75	7.50	Under progress.
21	MJR/326	Support for Conducting a Unique Music Based Cultural Event Named Arts for Medicine in the Premises of General Hospital, Ernakulam, organized by Mehboob Memorial Orchestra, Kochi	2019-20	2 years	7.00	0.94	0.94	Delay in completion due to COVID-19
22	MJR/25	Support for Construction of Vocational Training Centre for Differently abled at Swasraya Special Child Development and Vocational Training Centre for differently abled, Kuttur, Thrissur District	2019-20	2 years	58.00	25.50	52.21	Project completed. Bills awaited
23	MJR/410	Support for Improvement of School Library at St Antony's UPS, Palluruthi, Ernakulam District	2019-20	2 years	5.00	-	-	Delay due to COVID-19
24	MJR/359	Support for Drinking Water Scheme at En Uru Tribal Heritage Village, Wayanad	2019-20	2 years	10.00	-	5.00	Project completed. Bills under process
25	MJR/178	Support for Training of Ritualistic Traditional Art Forms Especially Percussion Art by Padmashree Kuzhur Marar Foundation, Thrissur District	2019-20	2 years	9.00	4.38	4.38	Delay due to COVID-19
26	MJR/264	Support for Construction of Art Gallery at Devan Kalagramam, Pallimon, Kollam District	2019-20	2 years	30.00	12.00	27.00	Project completed. Bills awaited

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total Amount allocated for the Project (in ₹ Lakhs)	Amount spent on the Project in the reporting financial year (in ₹ Lakhs)	Cumulative amount spent at the end of reporting financial year (in ₹ Lakhs)	Status of the Project
27	MJR/05	Support for construction of a new Library cum skill development centre to Kerala Pulayar Maha Sabha, V H. Colony, UC College P.O, Aluva	2019-20	2 years	23.70	9.48	21.33	Project completed. Bills awaited
28	MJR/8	Support for Construction of Building for physiotherapy Centre with Equipments' at Family Health Centre, Noolpuzha, Wayanad District	2019-20	2 years	20.00	8.00	18.00	Project completed. Bills awaited
29	MJR/337	Support for Renovation of Old Conference Hall at Pazhassiraja Smaraka Grandhalayam, Mananthawady, Wayanad District	2019-20	2 years	20.00	18.00	18.00	Project completed. Bills awaited
30	MJR/311	Support for Construction of a Toilet Complex at Government Girls Higher Secondary School, Aluva, Ernakulam District	2019-20	2 years	5.00	4.50	4.50	Project completed. Bills awaited
31	NP/33	Support for Construction of a Kids Park at St. Joseph Government LP School, Ayroor, Angamaly, Ernakulam District	2019-20	2 years	0.98	0.49	0.49	Project completed. Bills awaited
TOTAL					1,181.83	200.50	836.14	

For and on behalf of the Board of Directors

**Madhu S Nair**  
Chairman & Managing Director  
DIN: 07376798



Annexure IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

[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,  
Cochin Shipyard Limited,  
Administrative Building,  
Cochin Shipyard Premises,  
Perumanoor, Cochin,  
Ernakulam, Kerala – 682015

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

Based on our verification of Cochin Shipyard Limited’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Cochin Shipyard Limited (“the Company”) for the financial year ended on, 31st March 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings (During the period under review not applicable to the Company)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI LODR Regulations’);
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (During the period under review not applicable to the Company)
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (During the period under review not applicable to the Company)
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (During the period under review not applicable to the Company)

- (g) 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; (During the period under review not applicable to the Company)
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (During the period under review not applicable to the Company) and
  - (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2008; (During the period under review not applicable to the Company)
  - (vi) Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 (‘CG Guidelines’);
  - (vii) Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises;
- We have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above **subject to the following observations:**
1. There was no Woman Director on the Board of Directors of the Company for a period from 01.04.2020 to 31.03.2021 as required under Regulation 17 (1) of SEBI LODR Regulations and Section 149 of the Act;
  2. The Company was having requisite number of Independent Directors on the Board of Directors for a period from 01.04.2020 to 14.07.2020 as required under Section 149(4) of the Act. However, upon end of the term of Independent Directors on 14.07.2020 there was no new appointment of Independent Directors till 31.03.2021;
  3. A Fine has been levied by both BSE Limited (‘BSE’) and National Stock Exchange Limited (‘NSE’) for Non-Compliance of Corporate Governance conditions of SEBI LODR Regulations as follows:

NSE

Regulation	Quarter/ Month	Fine Amount per day (₹) / Instance	Days of Non- Compliance / No of instances	Fine Amount (₹)
17 (2A)	30-Sep-2020	10,000	1	10,000
17(1)	30-Dec-2020	5,000	92	4,60,000
17(2A)	30-Dec-2020	10,000	2	20,000
18	30-Dec-2020	2000	78	1,56,000
19	30-Dec-2020	2000	78	1,56,000
20	30-Dec-2020	2000	78	1,56,000
			<b>Total</b>	<b>9,58,000</b>

Representation has been made by the Company for waiver of fees.

BSE

Regulation	Quarter/ Month	Fine Amount per day (₹) / Instance	Days of Non- Compliance / No of instances	Fine Amount (₹)
17 (2A)	30-Sep-2020	10,000	1	10,000
17(1)	30-Dec-2020	5,000	92	4,60,000
18	30-Dec-2020	2000	78	1,56,000
19	30-Dec-2020	2000	78	1,56,000
20	30-Dec-2020	2000	78	1,56,000
			<b>Total</b>	<b>9,38,000</b>

After representations made by the Company the fine levied by BSE were waived. Total fines mentioned above are exclusive of Goods and Service Tax @ 18%.

- 4. The Company has not constituted Audit Committee as required under Regulation 18 of SEBI LODR Regulations; Section 177 of the Act; and Clause 4.1 of the CG Guidelines for a period from 15.07.2020 to 31.03.2021.
- 5. The Company has not constituted Nomination and Remuneration Committee as required under Regulation 19 of SEBI LODR Regulations; Section 178 of the Act; and Clause 5.1 of the CG Guidelines for a period from 15.07.2020 to 31.03.2021.
- 6. The Company has not constituted Stakeholders Relationship Committee as required under Regulation 20 of SEBI LODR Regulations and Section 178 of the Act for a period from 15.07.2020 to 31.03.2021.
- 7. The Company has not constituted Corporate Social Responsibility Committee as required under Section 135 of the Act for a period from 15.07.2020 to 31.03.2021.

We further report that

Subject to the above, the changes in the composition of the Board of Directors that took place during the period have been reviewed and commented in this report.

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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period the Company had the following specific events /actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, Standards, etc:

- (i) The Members at the Annual General Meeting held on 29.09.2020 approved a final dividend of ₹15/- per equity share and an interim Dividend of ₹ 1.63/- per equity share for the financial year 2019-20;
- (ii) The Board of Directors at their Meeting held on 04.01.2021 approved an interim dividend of ₹ 9/- per equity share; and
- (iii) The Board of Directors at their Meeting held on 12.02.2021 approved a 02nd interim dividend of ₹ 4/- per equity share.

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

Atul Mehta  
Partner  
PCS No: 5782  
CP No: 2486  
Place: Mumbai  
Date: 11th June, 2021  
UDIN: F005782C000450270

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

ANNEXURE A

To,  
The Members,  
Cochin Shipyard Limited,  
Administrative Building,  
Cochin Shipyard Premises,  
Perumanoor, Cochin,  
Ernakulam, Kerala – 682015

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

- 1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion in these secretarial records based on our audit.
- 2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- 3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5. The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in

point vi & vii of our Secretarial Audit Report in Form No. MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.

7. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Atul Mehta  
Partner  
PCS No: 5782  
CP No: 2486  
Place: Mumbai  
Date: 11th June, 2021  
UDIN: F005782C000450270

For and on behalf of the Board of Directors

Kochi  
June 11, 2021

Madhu S Nair  
Chairman & Managing Director  
DIN: 07376798



# REPORT ON CORPORATE GOVERNANCE

## Company’s Philosophy on Corporate Governance

1. Cochin Shipyard recognizes the importance of Corporate Governance to emerge as a model corporate. The Company has adopted policies and procedures which are aimed at effectively discharging its responsibilities to various stakeholders, viz., shareholders, creditors, customers, employees and society at large. CSL strongly believes that the Company can emerge as a strong global leader only by following good & sound Corporate Governance principles. The Company has been rated ‘Excellent’ in Corporate Governance practices as per the evaluation criteria prescribed by the Department of Public Enterprises consistently for the last several years.

## Board of Directors

2. The Board of Directors of Cochin Shipyard Limited plays a pivotal role in ensuring good Corporate Governance. The composition of the Board of the Company is governed by the provisions of the Companies Act, 2013 (“the Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”). The composition of the Board during the financial year ended March 31, 2021 is as follows:

Sl. No.	Name of Director	Director Identification Number (DIN)	Category of Directorship
1	Shri Madhu S Nair *	07376798	Chairman & Managing Director
2	Shri Suresh Babu N V**	07482491	Director (Operations)
3	Shri Bejoy Bhasker	08103825	Director (Technical)
4	Shri Jose V J	08444440	Director (Finance)
5	Shri Sanjay Bandopadhyaya IAS	00088957	Official Part Time (Nominee) Director, Government of India
6	Shri Jyothilal K R IAS ***	01650017	Official Part Time (Nominee) Director, Government of Kerala
7	Shri Jiji Thomson IAS (Retd.) #	01178227	Non-Official Part Time (Independent) Director
8	Shri Pradipta Banerji #	00630615	Non-Official Part Time (Independent) Director
9	Shri Nanda Kumaran Puthezhath #	02547619	Non-Official Part Time (Independent) Director

\*The Ministry of Ports, Shipping and Waterways (MoPSW), Government of India, vide letter no. SY-11011/1/2009-CSL dated October 16, 2020 extended the tenure of Shri Madhu S Nair as the Chairman & Managing Director of CSL for a further period of five years with effect from January 01, 2021 or till the date of his superannuation or until further orders, whichever is the earliest.

\*\* Shri Suresh Babu N V was reappointed as director by way of retirement by rotation at the 48th Annual General Meeting (AGM) of the Company held on September 29, 2020. The Ministry of Ports, Shipping and Waterways (MoPSW), Government of India, vide letter no. SY-11012/1/2020-CSL dated February 26, 2021 extended his tenure with effect from April 26, 2021 till April 30, 2021, i.e. up to the date of his superannuation. Consequently, he retired on superannuation from the services of the Company on April 30, 2021.

\*\*\* During the year Shri Jyothilal K R IAS ceased to be Director of the Company pursuant to the provisions of Section 167(1)(b) of the Companies Act, 2013. The Board of Directors of CSL at their 254th meeting held on June 20, 2020 took note of the cessation of his Directorship. However, the Ministry of Ports, Shipping and Waterways (MoPSW), Government of India vide letter no. SY-11012/1/2017-CSL dated August 24, 2020 reappointed Shri Jyothilal K R IAS as the Official Part Time (Nominee) Director on the Board of CSL with effect from August 24, 2020. A brief profile of Shri Jyothilal K R IAS is given below:

Shri Jyothilal K R IAS holds a degree of Bachelor of Technology in Chemical Engineering from IIT Chennai. He is an IAS Officer of 1993 batch (Kerala cadre) and served in various departments of the Government of Kerala viz., Land Revenue Management and District Administration, Fisheries /Agriculture & Co-operation, Information Technology, Food, Civil Supplies & Consumer Affairs etc. He is currently posted as Principal Secretary (Transport), Government of Kerala.

# The tenure of Shri Jiji Thomson IAS (Retd.), Shri Pradipta Banerji and Shri Nanda Kumaran Puthezhath, who were appointed as Non-Official Part Time (Independent) Directors on the Board of CSL for a period of three years vide MoPSW letter F. No. SY-11012/1/2016-CSL dated July 15, 2017, came to an end on July 14, 2020.

3. Disclosure of relationship between Directors inter-se: Nil
4. None of the Directors of the Company were members in more than ten committees or act as Chairperson of more than five committees across all listed entities in which he/she is a Director. None of the Independent Directors of the Company held Directorships in more than seven listed companies.
5. The Companies Act, 2013 read with relevant Rules made thereunder, facilitates the participation of the Director in the Board/ Committee meetings through electronic mode. The Directors viz., Shri Sanjay Bandopadhyaya IAS, Shri Jyothilal K R IAS, Shri Jose V J, Shri Jiji Thomson IAS (Retd.) and Shri Pradipta Banerji have availed the facility during the financial year 2020-21.
6. The meetings of the Board of Directors and Committees have been conducted in the manner as specified in SEBI Listing Regulations and Companies Act, 2013.

## Attendance of Directors at Board Meetings and Annual General Meeting (AGM)

7. Six Board Meetings were held during the year under review. Details of attendance of Directors at the Board Meetings and AGM are given below:

Name of Director	2020				2021		AGM Sep 29, 2020
	Jun 20	Aug 10	Oct 15	Nov 12	Jan 04	Feb 12	
Shri Madhu S Nair	✓	✓	✓	✓	✓	✓	✓
Shri Sanjay Bandopadhyaya IAS	✓*	✓*	×	✓*	✓*	×	×
Shri Jyothilal K R IAS	NA	NA	✓*	✓*	✓*	✓*	✓*
Shri Suresh Babu N V	✓	✓	✓	✓	✓	✓	✓
Shri Bejoy Bhasker	✓	✓	✓	✓	✓	✓	✓
Shri Jose V J	✓	✓	✓	✓	✓	✓*	✓
Shri Jiji Thomson IAS (Retd.)	✓*	NA	NA	NA	NA	NA	NA
Shri Pradipta Banerji	✓*	NA	NA	NA	NA	NA	NA
Shri Nanda Kumaran Puthezhath	✓	NA	NA	NA	NA	NA	NA

\* attended through electronic mode

NA - Not applicable

## Other Directorships and Committee positions

8. The total number of other Directorship(s) held by Directors and other positions of Membership/Chairmanship on Committees, as on March 31, 2021 are given below:

Name of Director	No. of Directorship in other public limited companies		Board Committee positions held in other public limited companies		Name of other Listed Entity where the person is a Director	Category of Directorship in the Listed Entity
	Chairman	Member	Chairman	Member		
Shri Madhu S Nair	2	2	-	-	-	-
Shri Sanjay Bandopadhyaya IAS	1	1	-	-	-	-
Shri Jyothilal K R IAS	-	7	1	2	-	-
Shri Suresh Babu N V	-	2	-	-	-	-
Shri Bejoy Bhasker	-	2	-	-	-	-
Shri Jose V J	-	2	-	-	-	-

- The Directorships held by Directors as mentioned above does not include Alternate Directorships, Directorships in Private Limited Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.
- Memberships/Chairmanships of only the Audit Committees and Stakeholders Relationship Committees of all Public Limited Companies and Government Companies have been considered.

9. None of the Directors except the following hold any shares in the Company as on March 31, 2021:

Name of the Director	No. of Equity Shares Held
Shri Madhu S Nair	600
Shri Bejoy Bhasker	510

#### Chart of skills/expertise/competence of the Board of Directors as on March 31, 2021

Sl. No.	Skills/Expertise/Competency	Shri Madhu S Nair	Shri Suresh Babu N V	Shri Bejoy Bhasker	Shri Jose V J	Shri Sanjay Bandopadhyaya IAS	Shri Jyothilal K R IAS
1	Ship building/repair Industry Experience	✓	✓	✓	✓		
2	Knowledge of Ship building/repair Sector	✓	✓	✓	✓	✓	✓
3	Accounting knowledge				✓		
4	Financial/investment knowledge	✓	✓	✓	✓	✓	✓
5	Law				✓	✓	✓
6	Marketing experience	✓	✓	✓	✓		
7	Information Technology			✓	✓	✓	
8	Developing and implementing risk management systems	✓	✓	✓	✓	✓	✓
9	Human Resource Management experience	✓		✓		✓	✓
10	Strategy/Corporate plan development and implementation	✓	✓	✓	✓	✓	✓
11	Directorship experience in other listed companies						
12	Directorship experience in unlisted companies	✓	✓	✓	✓	✓	✓
13	Integrity and high ethical standards	✓	✓	✓	✓	✓	✓
14	Leadership skills	✓	✓	✓	✓	✓	✓
15	Social welfare orientation	✓		✓	✓	✓	✓
16	Experience in government relations	✓	✓	✓	✓	✓	✓

#### Independent Directors

10. CSL had six Independent Directors, including a Woman Director, in compliance with Regulation 17 of the SEBI Listing Regulations till March 20, 2020. Subsequently, out of the six Independent Directors, three Independent Directors, including a Woman Director, had vacated their office with effect from March 21, 2020 and the remaining three Independent Directors, had vacated their office with effect from July 15, 2020 on completion of tenure of their appointment prescribed by the Government of India. CSL has provided necessary intimations to the Administrative Ministry for filling up the post of Independent Directors including a Woman Director.
11. Being a Central Public Sector Undertaking, the Independent Directors of the Company are appointed by the Ministry

of Ports, Shipping and Waterways, Government of India, initially for a term of 3 years. The main terms of appointment can be accessed at <https://cochinshipyard.in/board-of-directors/independent>

12. Familiarization programme for Independent Directors generally form part of the Board process. The Independent Directors are updated on an ongoing basis at the Board/Committee meetings, inter alia, on the following:
- Nature of industry in which the Company operates;
  - Business environment and operational model of various business divisions of the Company including important developments thereon; and
  - Important changes in regulatory framework having impact on the Company.

13. Details of the familiarization programme for Independent Directors can be accessed at <https://cochinshipyard.in/uploads/FTPStaging/INDPDIR/famil.pdf>
14. In the opinion of the Board, the Independent Directors fulfilled the conditions specified in the SEBI Listing Regulations and were independent of the management during their term of appointment.

#### Meetings of Independent Directors

15. According to Schedule IV to the Companies Act, 2013 a separate meeting of the Independent Directors of the Company was held on June 19, 2020 which was attended by all the Non-Official Part Time (Independent) Directors, viz., Shri Jiji Thomson IAS (Retd.), Shri Pradipta Banerji and Shri Nanda Kumaran Puthezhath.

#### Availability of information to the members of the Board

16. The Board has complete access to any information within the Company and to any employee of the Company. The Board welcomes the presence of executives in the Board meetings, who can provide additional insights into the issues being discussed in the meeting. The information normally required to be placed before the Board include the following:
- To make calls on shareholders in respect of money unpaid on shares.
  - To authorize buy-back of securities.
  - To issue securities including debentures, in India or abroad.
  - To borrow monies.
  - To invest funds of the Company.
  - To grant loans or give guarantee or provide security in respect of loans.
  - To approve financial statement and Board's Report.
  - To diversify the business of the Company.
  - To approve amalgamation, merger or reconstruction.
  - To take over a company or acquire a controlling interest or substantial stake in another company.
  - To appoint or remove Key Managerial Personnel (KMP).
  - To appoint internal auditor and secretarial auditor.
  - General notices of interest of Directors.
  - Terms of reference of Board Committees.

- Minutes of meetings of Audit Committee and other Committees of the Board, resolutions passed by circulation and also the minutes of Board meetings of subsidiary companies.
- Annual operating plans of businesses, capital budgets and any updates.
- Quarterly results of the Company and its operating divisions or business segments.
- Declaration of dividend.
- Sale of investments, subsidiaries and assets which are material in nature and not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material.
- Internal audit findings and external audit reports (through the Audit Committee).
- Status of business risk exposures, its management and related action plans.
- Details of any joint venture or collaboration agreement.
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- All policy matters deliberated and introduced for implementation.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue which involves possible public or product liability claims of substantial nature, including any judgment or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- The information on recruitment and remuneration of senior officers just below the Board level including appointment or removal of Chief Financial Officer and the Company Secretary.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- Significant labour problems and their proposed solutions. Any significant development in human resources/industrial relations front like implementation of Voluntary Retirement Scheme (VRS) etc.



- ff) Capital budgets and any updates.
- gg) Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- hh) Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.

### Board material distributed in advance

17. Notice of each Board meeting and Committee meeting is sent to all the members not less than seven days in advance except when it is convened as emergency meeting. The agenda notes for each Board/Committee meeting is drafted in consultation with the Chairman and are circulated to the Directors not less than seven days in advance except when it is convened as emergency meeting with the concurrence of all Board/Committee members. All material information is incorporated in the agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled at the meeting with specific reference to the subject in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted with the consent of all Directors present at the meeting.
18. CSL digitalised its meetings by introduction of a Board Management software viz., Dess Digital Meetings, which enables to securely create, distribute and manage meeting documents in digital format. It ensures that the Board and the Committee members get the communication at the right time and securely. This Board management software will streamline the entire meeting process right from the preparation of agenda papers till the finalisation of minutes of the meetings, which will in turn save time, effort & cost and improve governance.

### Recording Minutes of proceedings at Board and Committee meeting

19. The Company Secretary records the minutes of the proceedings of each Board and Committee meetings. Draft minutes are circulated to all the members of the Board/Committee for their comments within fifteen days from the conclusion of the meeting. The final minutes are entered in the minutes book within 30 days from conclusion of the meeting.

### Post Meeting Follow up Mechanism

20. The important decisions taken at the Board/Committee meetings are promptly communicated to the departments/

divisions concerned. The status of implementation of major decisions are apprised to the Board/Committee in the ensuing meetings.

### Compliance

21. The Company Secretary while preparing the agenda notes, minutes etc. of the meeting(s) is responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 2013 read with the Rules issued thereunder as also the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by the Government of India.

### Board Committees

22. During the financial year 2020-21, the Board of CSL had five statutory Committees viz., Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility and Sustainable Development Committee, Stakeholders Relationship Committee and Risk Management Committee.
23. Consequent to vacation of all Independent Directors with effect from July 15, 2020 on completion of tenure of their appointment prescribed by the Government of India, CSL could not re-constitute the Statutory Committees with effect from July 15, 2020. Accordingly, until the Committees are re-constituted with sufficient number of Independent Directors, the proposals are being directly considered by the Board. However, the Risk Management Committee was functioning since the vacation of office of Independent Directors had not affected the constitution of the Risk Management Committee as on March 31, 2021.

### Audit Committee

24. The Audit Committee of CSL was formed on August 21, 2008. Since all Independent Directors had vacated their office with effect from July 15, 2020 on completion of tenure of their appointment prescribed by the Government of India, CSL could not re-constitute the Audit Committee with effect from July 15, 2020.

### Terms of reference

25. The following are the terms of reference of the Audit Committee:
  - (i) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of our Company based on the order of Comptroller & Auditor General of India;
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - (a) Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions; and
  - (g) Modified opinion(s) in the draft audit report.
- (v) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (vi) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) Approval or any subsequent modification of transactions of our Company with related parties;
- (ix) Scrutiny of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of our Company, wherever it is necessary;

- (xi) Evaluation of internal financial controls and risk management systems;
- (xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) Discussion with internal auditors of any significant findings and follow up there on;
- (xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) To review the functioning of the whistle blower mechanism;
- (xix) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) Review the following information:
  - (a) Management discussion and analysis of financial condition and results of operations;
  - (b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - (c) Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - (d) Internal audit reports relating to internal control weaknesses; and
  - (e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;

- (f) Statement of deviations:
- (i) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations;
  - (ii) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations;
- (xxi) To review the follow up action on the audit observations of the C&AG audit;
- (xxii) Recommend the appointment, removal and fixing of remuneration of Cost Auditors and Secretarial Auditors;
- (xxiii) Audit Committee shall also review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans /advances/ investments existing as on the date of coming into force of this provision;
- (xxiv) Review of compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, at least once in a financial year;
- (xxv) Verify that the systems for internal control required to be maintained pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended are adequate and are operating effectively; and
- (xxvi) Carrying out any other function as specified by the Board from time to time.

**Powers of the Audit Committee**

26. The Committee is entrusted with the following powers:
- a) To investigate any activity within its terms of reference;
  - b) To seek information on and from any employee;
  - c) To obtain outside legal or other professional advice, subject to the approval of the Board of Directors; and
  - d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

27. The recommendations of the Audit Committee on any matter relating to the financial management, including the audit report, shall be binding on the Board.
28. If the Board does not accept the recommendations of the Audit Committee, it shall record the reasons thereof and communicate such reasons to the shareholders.

**Constitution**

29. As on July 14, 2020, the Audit Committee of CSL comprised of Shri Nanda Kumaran Puthezhath (DIN: 02547619), Non-Official Part Time (Independent) Director as Chairman, Shri Jiji Thomson IAS (Retd.) (DIN: 01178227), Non-Official Part Time (Independent) Director and Shri Pradipta Banerji (DIN: 00630615), Non-Official Part Time (Independent) Director as members. Since all the Independent Directors had vacated their office with effect from July 15, 2020 on completion of tenure of their appointment prescribed by the Government of India, CSL could not re-constitute the Committee with effect from July 15, 2020.
30. Audit Committee meetings are also attended by Director (Finance), representatives of Secretarial Auditors, Statutory Auditors and Internal Auditors of the Company as invitees. The Internal audit function has been outsourced to a firm of Chartered Accountants. The Company Secretary acts as the Secretary to the Committee.

**Audit Committee meetings held during 2020-21 and attendance**

31. The Committee met once during the year 2020-21. The necessary quorum was present at this meeting. The attendance during this meeting were as follows:

Sl. No.	Name of the Member	June 20, 2020
1	Shri Nanda Kumaran Puthezhath	✓
2	Shri Jiji Thomson IAS (Retd.)	✓*
3	Shri Pradipta Banerji	✓*

\* attended through electronic mode

**Nomination & Remuneration Committee**

32. The Nomination & Remuneration Committee of Cochin Shipyards Limited was constituted vide Circular Resolution adopted on December 13, 2008.

**Terms of reference**

33. Following are the terms of reference of the Nomination & Remuneration Committee:
- (i) Decide on the annual bonus/performance pay/ variable pay pool and policy for its distribution across the executives and non-unionized supervisors of our Company;
  - (ii) Formulation and modification of schemes for providing perks and allowances for officers and non-unionized supervisors;
  - (iii) Any new scheme of compensation like medical scheme, pension etc. to officers, non-unionized supervisors and the employees as the case may be; and
  - (iv) Exercising such other roles assigned to it by the provisions of the SEBI Listing Regulations and any other laws and their amendments from time to time.

**Constitution**

34. As on July 14, 2020, the Committee comprised of Shri Jiji Thomson IAS (Retd.) (DIN: 01178227), Non-Official Part Time (Independent) Director as Chairman, Shri Pradipta Banerji (DIN: 00630615), Non-Official Part Time (Independent) Director and Shri Nanda Kumaran Puthezhath (DIN: 02547619), Non-Official Part Time (Independent) Director as members. Since all the Independent Directors had vacated their office with effect from July 15, 2020 on completion of tenure of their appointment prescribed by the Government of India, CSL could not re-constitute the Committee with effect from July 15, 2020.

37. Details of remuneration paid to the Whole Time Directors is given below:

(₹ Lakhs)				
Sl. No.	Name and Designation	Total of Basic Pay, DA, HRA & other perks & Allowances	Performance Related Payment (PRP)	Total
1	Shri Madhu S Nair Chairman & Managing Director	47.13	24.28	71.41
2	Shri Suresh Babu N V Director (Operations)	40.04	20.89	60.93
3	Shri Bejoy Bhasker Director (Technical)	37.37	20.01	57.38
4	Shri Jose V J Director (Finance)	35.13	11.37	46.50

**Nomination & Remuneration Committee meetings held during 2020-21 and attendance**

35. One meeting of the Nomination & Remuneration Committee was held during 2020-21. The necessary quorum was present at this meeting. The attendance during this meeting were as follows:

Sl. No.	Name of the Member	Jul 11, 2020
1	Shri Jiji Thomson IAS (Retd.)	✓*
2	Shri Pradipta Banerji	✓*
3	Shri Nanda Kumaran Puthezhath	✓*

\* attended through electronic mode

**Remuneration Policy**

36. Under Article 21(a) of the Articles of Association of the Company, the Directors shall be paid such remuneration as the President of India may from time to time determine. The pay and allowances of Board level executives are paid in accordance with the terms of appointment, Department of Public Enterprises (DPE) Guidelines on the above subject and other benefits and perquisites in accordance with the rules of CSL. The remuneration of below Board level executives and non-unionized supervisors is as per DPE guidelines and as approved by the Administrative Ministry (Ministry of Ports, Shipping and Waterways). The remuneration of worker is as per the Long Term Settlement between the management and recognized trade unions.



Notes

- (a) The PRP mentioned in the above table pertains to the period 2018-19, paid during 2020-21. The PRP paid to the Whole Time Directors is as per the Performance Payment Scheme applicable to all executives and non-unionized supervisors of the Company, framed in line with the DPE Guidelines.
- (b) The remuneration, tenure and other terms and conditions of appointment of Whole Time Directors are as per the letter issued by the Administrative Ministry (Ministry of Ports, Shipping and Waterways) in line with the government guidelines. The Whole Time Directors are appointed for a period of 5 years with effect from the date of assumption of charge of the post or till the date of superannuation or until further orders whichever event occurs the earliest. Notice period in case of leaving service before the contractual term is 3 months or in the absence of notice period, 3 months' pay may be remitted.
- (c) During the year, no Stock Options were issued by the Company to Whole Time Directors.

Sitting fees

38. The Non-Official Part Time (Independent) Directors are paid sitting fees at the rate of ₹15,000/- for attending each meeting of the Board or Committee thereof. The Official Part Time (Nominee) Directors are not paid any remuneration. The criteria for making payment to Non-Executive Directors is available in the Company's website at the following link: <https://cochinshipyard.in/board-of-directors/independent>
39. Sitting fees paid to the Non-Official Part Time Directors for 2020-21 are as follows:

Sl. No.	Name	Fees (in ₹)
1	Shri Jiji Thomson IAS (Retd.)	75,000
2	Shri Pradipta Banerji	60,000
3	Shri Nanda Kumaran Puthezhath	75,000

40. Since the Non-Official Part Time (Independent) Directors are appointed by the President of India, the evaluation of performance of such Directors are also done by the GOI.

Stakeholders Relationship Committee

41. The Stakeholders Relationship Committee of CSL was constituted vide resolution no. 227/08 at the 227th Board Meeting held on September 20, 2016.

Terms of reference

42. Following are the terms of reference of the Stakeholders Relationship Committee:
- (i) Resolving the grievances of the security holders of the company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.;
  - (ii) Review of measures taken for effective exercise of voting rights by shareholders;
  - (iii) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and
  - (iv) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Constitution

43. As on July 14, 2020, the Committee comprised of Shri Nanda Kumaran Puthezhath (DIN: 02547619), Non-Official Part Time (Independent) Director as Chairman, Shri Suresh Babu N V (DIN: 07482491), Director (Operations) and Shri Jose V J (DIN: 08444440), Director (Finance) as members. Since all the Independent Directors had vacated their office with effect from July 15, 2020 on completion of tenure of their appointment prescribed by the Government of India, CSL could not re-constitute the Committee with effect from July 15, 2020.

Stakeholders Relationship Committee meetings held during 2020-21 and attendance

44. No meeting of Stakeholders Relationship Committee was held during the year 2020-21.

Name, designation and address of the Compliance Officer

Shri Syamkamal N  
Company Secretary & Compliance Officer  
Cochin Shipyard Limited  
Administrative Building, Cochin Shipyard Premises  
Perumanoor, Ernakulam, Kerala – 682015  
Tel: +91 (484) 2501306, Fax: +91 (484) 2384001  
Email: [secretary@cochinshipyard.in](mailto:secretary@cochinshipyard.in)  
Website: [www.cochinshipyard.in](http://www.cochinshipyard.in)

Status of Investor Complaints as on March 31, 2021 and reported under Regulation 13(3) of the SEBI Listing Regulations

Complaints as on April 01, 2020	0
Received during the year	4
Resolved during the year	4
Not solved to the satisfaction of shareholders	0
Pending as on March 31, 2021	0

Constitution of Risk Management Committee

45. The Risk Management Committee of CSL was constituted in line with the SEBI Listing Regulations on February 08, 2019. Prior to the Constitution of the Committee, the risks had been periodically reviewed by the Board and the Audit Committee. As on March 31, 2021, the Committee comprises of Shri Suresh Babu N V, Director (Operations) as Chairman, Shri Bejoy Bhasker, Director (Technical) and Shri Jose V J, Director (Finance), as members.

Terms of reference

46. Following are the terms of reference of Risk Management Committee:
- (i) Monitoring and reviewing of the risk management plans including steps taken for ensuring cyber security;
  - (ii) Ensure required risk documentation is done on quarterly basis;
  - (iii) Provide updates and seek approval from Board of Directors on risk management; and
  - (iv) Such other functions as may be specified by the Board from time to time.

Risk Management Committee meetings held during 2020-21 and attendance

47. One meeting of the Risk Management Committee was held during the financial year 2020-21. Necessary quorum was present at this meeting. The attendance during this meeting was as follows:

Sl. No.	Name of the Member	Feb 05, 2021
1	Shri Suresh Babu N V	✓
2	Shri Bejoy Bhasker	✓
3	Shri Jose V J	✓

Corporate Social Responsibility & Sustainable Development (CSR & SD) Committee

48. A sub-committee of the Board was constituted vide resolution no. 181/09 at the 181st meeting of the Board held on September 05, 2008 to decide on the matters relating to Corporate Social Responsibility in CPSEs.
49. The Sustainable Development Committee was constituted at the 197th Board Meeting held on November 23, 2011. The DPE vide OM No.3(9)/2010-DPE(MoU) dated September 23, 2011 has issued detailed guidelines on Sustainable Development in CPSEs.
50. Company decided to merge the Corporate Social Responsibility Committee and Sustainable Development Committee to decide the matters relating to CSR activities in line with the guidelines laid down under Schedule VII of the Companies Act, 2013.

Terms of reference

51. The following are the terms of reference of the Corporate Social Responsibility & Sustainable Development Committee:
- (i) Recommend CSR and sustainability development policy to the Board;
  - (ii) Recommend plan of action and projects to be initiated in the short, medium and long term for CSR and sustainability development;
  - (iii) To recommend the annual CSR and sustainability development plan and budget; and
  - (iv) Periodic review of CSR and sustainability development policy, plans and budgets.

Constitution

52. As on July 14, 2020, the Committee comprised of Shri Jiji Thomson IAS (Retd.) (DIN: 01178227), Non-Official Part Time (Independent) Director as Chairman, Shri Nanda Kumaran Puthezhath (DIN: 02547619), Non-Official Part Time (Independent) Director, Shri Bejoy Bhasker (DIN: 08103825), Director (Technical) and Shri Jose V J (DIN: 08444440), Director (Finance) as members. Since all the Independent Directors had vacated their office with effect from July 15, 2020 on completion of tenure of their appointment prescribed by the Government of India, CSL could not re-constitute the Committee with effect from July 15, 2020.

**CSR & SD Committee meetings held during 2020-21 and attendance**

53. One meeting of CSR & SD Committee was held during the year 2020-21. Necessary quorum was present at this meeting. The attendance during this meeting were as follows:

Sl. No.	Name of Director	Jun 20, 2020
1	Shri Jiji Thomson IAS (Retd.)	✓*
2	Shri Nanda Kumaran Puthezhath	✓
3	Shri Bejoy Bhasker	✓
4	Shri Jose V J	✓

\* attended through electronic mode

**General Body Meetings**

54. The date, time and venue of the last three Annual General Meetings were as follows:

Year	Date	Time	Venue	Special resolution passed
2019-20	Sep 29, 2020	11:00 hrs.	Not Applicable since the meeting was held through electronic mode	3
2018-19	Aug 13, 2019	11:00 hrs.	The Mercy Hotel, M.G. Road, Ravipuram, Kochi – 682015	Nil
2017-18	Aug 14, 2018	11:00 hrs.	Kerala Fine Arts Society Hall, Foreshore Road, Pallimukku, Ernakulam – 682016	Nil

**Postal Ballot**

55. During the financial year 2020-21, no resolution was put through by postal ballot.
56. None of the business proposed to be transacted in the ensuing AGM requires the passing of a special resolution by way of postal ballot.

**Means of Communication**

57. All price-sensitive information and matters that are material to shareholder are disclosed to the respective Stock Exchanges, where the securities of the Company are listed. All submission to the Exchanges is made through the respective electronic filing systems.
58. The financial results for the quarter/half-year/year were published as under:

Quarter/half-year/year	In the month of
Quarter ending June 30, 2020	August
Quarter/half-year ending September 30, 2020	November
Quarter ending December 31, 2020	February
Year ending March 31, 2021	June

59. Quarterly/half-yearly/annual results, notices and information relating to General Meetings, etc. are published in leading newspapers viz., Business Line (all editions), Mathrubhumi (Cochin edition) and Jansatta (all editions) and are notified to the Stock Exchanges as required under the SEBI Listing Regulations.

60. The quarterly/half-yearly/annual financial results and other communication to shareholders and Stock Exchanges, inter alia, presentations to institutional investors & analysts, press releases etc., are made available in the Company's website [www.cochinshipyard.in](http://www.cochinshipyard.in) under 'Investors' section. They are also filed with the National Stock Exchange of India Limited (NSE) through NSE Electronic Application Processing System (NEAPS) and with BSE Limited (BSE) through BSE Online Portal.

61. The Management hold quarterly briefs with analysts and institutional investors. The presentation made to the institutional investors and analysts for quarterly/half-yearly/annual results are available on the Company's website under 'Investors' section.

**General Shareholder Information**

62. Annual General Meeting for FY 2021

Date : September 29, 2021

Time : 11:00 hrs.

Venue : The Company is conducting meeting through electronic mode (VC / OAVM) pursuant to the MCA Circular dated January 13, 2021 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

63. Financial Year: April 01, 2020 to March 31, 2021.

**Dividend Payment**

64. The final dividend for the year ended March 31, 2021 if approved at the AGM, will be paid, subject to deduction of tax at source, on or after Wednesday, October 06, 2021. The Company will be making the dividend payment by electronic mode wherever possible and by dividend warrants/demand drafts in other cases.

65. The particulars of total dividend declared in the previous three financial years are given below:

Financial Year	Final Dividend Per Share (₹)	Interim Dividend Per Share (₹)	
2020-21	2.50	01 <sup>st</sup> 9.00	02 <sup>nd</sup> 4.00
2019-20	15.00	1.63	
2018-19	13.00	-	

**Listing of shares and stock code**

66. The Company's equity shares are listed at the following Stock Exchanges and listing fees for the year 2020-21 has been paid to the Stock Exchanges.

Name and address of the Stock Exchange	Stock Code
BSE Limited Phiroze Jeejeebhoy Tower Dalal Street, Mumbai – 400 001	540678
National Stock Exchange of India Limited Exchange Plaza, 5th Floor Bandra – Kurla Complex, Bandra (East) Mumbai – 400 051	COCHINSHIP

67. The International Securities Identification Number (ISIN) for the Company's shares is INE704P01017.

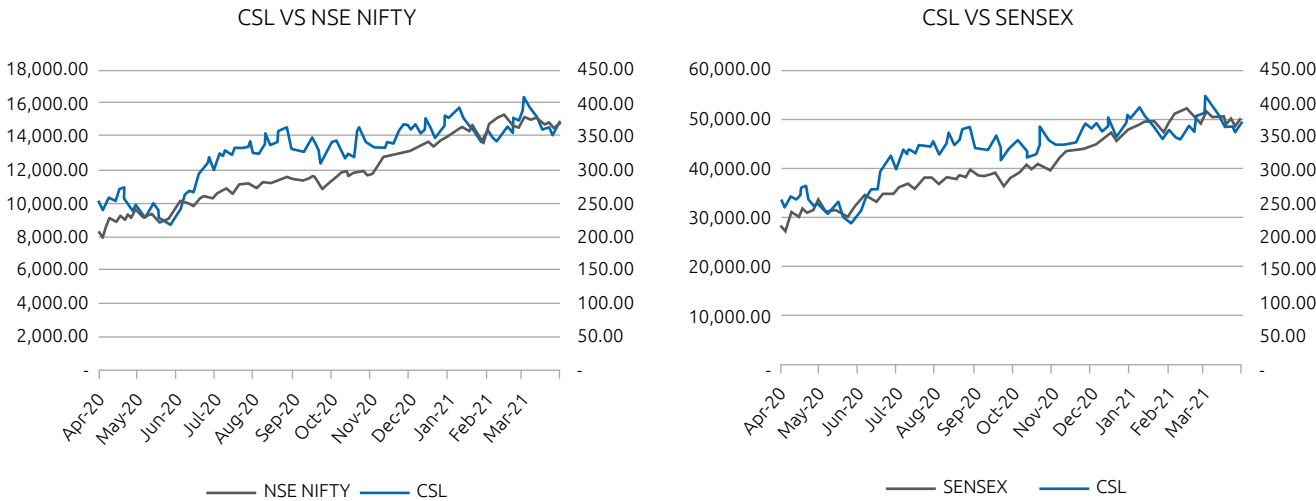


68. Market Price data – high, low during each month in the last financial year (i.e. year under review):

Price and volume of shares traded

Month/ Year	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Volume (Nos. in Lakhs)	High (₹)	Low (₹)	Volume (Nos. in Lakhs)
Apr 2020	283.75	238.00	2.47	284.10	240.00	33.53
May 2020	258.40	218.65	3.81	257.00	218.45	65.49
Jun 2020	324.40	225.05	9.07	324.50	226.20	181.14
Jul 2020	348.25	294.00	11.60	348.35	293.95	181.30
Aug 2020	371.40	321.80	7.20	371.40	321.80	103.70
Sep 2020	350.20	304.95	3.39	350.45	303.60	48.87
Oct 2020	376.40	312.00	4.20	378.00	316.55	75.03
Nov 2020	371.90	333.05	6.72	371.70	333.45	66.33
Dec 2020	387.00	335.85	7.51	386.75	336.10	103.00
Jan 2021	396.30	339.05	4.87	396.00	339.15	64.11
Feb 2021	395.90	318.00	9.58	395.90	340.55	105.73
Mar 2021	426.00	342.15	7.17	426.50	347.45	102.82

Performance in comparison to broad based indices



Details of securities suspended

Not applicable.

Registrar and Transfer Agents (RTA)

Link Intime India Private Limited  
Surya, 35, Mayflower Avenue  
Behind Senthil Nagar  
Sowripalayam Road, Coimbatore  
Tamil Nadu – 641 028  
Tel: 0422 2315792; Fax: 0422 2314792  
E-mail: coimbatore@linkintime.co.in

Share Transfer System

69. The Company's shares being in the compulsory demat list, are transferable through the depository system.

Distribution of Shareholding

70. Distribution of shareholding based on number of folio as on March 31, 2021.

No. of shares held	Members		Shares	
	No.	%	No.	%
1-500	165488	97.0707	9482304	7.21
501-1000	2846	1.6694	2193419	1.67
1001-2000	1151	0.6751	1689008	1.28
2001-3000	363	0.2129	926301	0.70
3001-4000	160	0.0939	581484	0.44
4001-5000	137	0.0804	641366	0.49
5001-10000	172	0.1009	1244733	0.95
>10000	165	0.0968	114781775	87.26
<b>Total</b>	<b>170482</b>	<b>100.0000</b>	<b>131540390</b>	<b>100.00</b>

Dematerialization of shares and liquidity

71. The Company's shares are compulsorily traded in dematerialized form and are available on both the depositories viz., NSDL and CDSL.

Percentage of shares held in  
Physical form : 0.00  
Electronic form with NSDL : 90.25  
Electronic form with CDSL : 9.75  
The Company's equity shares are regularly traded on the BSE and NSE.

Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, conversion date and likely impact on equity

None.

Foreign exchange risk and hedging of activities

72. The Company has formulated a Forex Risk Management Policy duly approved by the Board and the forex exposures are being hedged depending upon the market conditions.

73. The Company is also keeping a constant watch on the forex market fluctuations and has been exploring various options of foreign currency borrowings like buyer's credit etc. as part of effective working capital management. Status of the forex exposure and the hedging position is reviewed by the Audit Committee and the Board. Presently, Audit Committee is not functional due to non-appointment of Independent Directors. The Committee will be re-constituted on appointment of Independent Directors.

Plant Locations

- Shipbuilding & Ship Repair facility at Perumanoor, Ernakulam District, Kochi – 682 015

- International Ship Repair facility at Cochin Port Trust, Willingdon Island, Kochi – 682 009
- Ship repair facility at Indira Dock, Mumbai
- Ship repair facility at Netaji Subhas Dock, Kolkata
- Ship repair facility at Marine Dockyard, Port Blair

Address for Correspondence

Company Secretary & Compliance Officer  
Cochin Shipyard Limited  
Administrative Building, Cochin Shipyard Premises  
Perumanoor, Ernakulam, Kerala – 682015  
Tel: +91 (484) 2501306, Fax: +91 (484) 2384001  
Email: secretary@cochinshipyard.in  
Website: www.cochinshipyard.in

Credit Ratings

Instrument	ISIN	Rating
8.51% Tax Free Secured Redeemable Non-Convertible Bonds	INE704P07014	AAA by CARE Rating
8.72% Tax Free Secured Redeemable Non-Convertible Bonds	INE704P07030	AAA by CARE Rating

Other Disclosures

Related Party Transactions

74. During the year under review, there were no materially significant related party transactions that had or may have conflict with the interest of the Company at large. The Company has a policy for related party transactions, which can be accessed at the following link: <https://cochinshipyard.in/uploads/coporate/183d8b6d86dbcd98336ba05c52dc6bfd.pdf>

Non-compliance by the Company

75. No penalties/strictures have been imposed on the Company by the Sock Exchanges or Securities and Exchange Board of India (SEBI) or any other statutory authority on any matter relating to capital markets during the last three years except the following:

Year	Name of Authority	Nature of non-compliance	Period of non-compliance	Amount of fine/penalty imposed	Remarks
2019-20	BSE & NSE	Non-appointment of sufficient no. of Independent Directors including a Woman Director.	June 20, 2019 to July 28, 2019	₹1,95,000 (plus GST @18%) each.	As the appointment of Directors is beyond the powers of the Company and is to be done by GOI, the fine levied was waived based on the representation made by the Company.
2020-21	BSE & NSE	Non-compliance with the requirements pertaining to quorum of Board Meetings i.e. not having at least one Independent Director.	July 15, 2020 to September 30, 2020	₹10,000 (plus GST @18%) each.	With effect from July 15, 2020 the Company does not have Independent Directors on its Board. As the appointment of Directors is beyond the powers of the Company and is to be done by GOI, the Company has forwarded the request for waiver of fines imposed. BSE has waived the fines and response from NSE is awaited.
		Non-appointment of Independent Directors including a Woman Director.	October 01, 2020 to December 31, 2020	₹4,60,000 (plus GST @18%)	
		Non-compliance with respect to the constitution of Audit Committee.	October 15, 2020 to December 31, 2020	₹1,56,000 (plus GST @18%)	With effect from July 15, 2020 the Company does not have Independent Directors on its Board. As the appointment of Directors is beyond the powers of the Company and is to be done by GOI, the Company has forwarded the request for waiver of fines imposed. BSE has waived the fines and response from NSE is awaited.
	BSE & NSE	Non-compliance with respect to the constitution of Nomination and Remuneration Committee	October 15, 2020 to December 31, 2020	₹1,56,000 (plus GST @18%)	
		Non-compliance with respect to the constitution of Stakeholders Relationship Committee	October 15, 2020 to December 31, 2020	₹1,56,000 (plus GST @18%)	
	NSE	Non-compliance with respect to the requirements pertaining to quorum of Board Meetings i.e. not having at least one Independent Director.	October 01, 2020 to December 31, 2020	₹20,000 (plus GST @18%)	With effect from July 15, 2020 the Company does not have Independent Directors on its Board. As the appointment of Directors is beyond the powers of the Company and is to be done by GOI, the Company has forwarded the request for waiver of fines imposed. BSE has waived the fines and response from NSE is awaited.

As on March 31, 2021, there is no Woman Director on the Board of CSL and there are no Independent Directors as against the statutory requirement of six, due to the completion of tenure of three Independent Directors including a Woman Director on March 20, 2020 and the remaining three Independent Directors on July 14, 2020. The said vacancies have been intimated to the Government of India. Further, the Statutory Committees will also be re-constituted on appointment of Independent Directors.

Vigil Mechanism and Whistle Blower Policy

76. Cochin Shipyard has adopted a Whistle Blower Policy approved by the Board at its 198th meeting held on February 22, 2012. Cochin Shipyard is a Government of India undertaking and follows Government guidelines on reporting of any illegal or unethical practices. Directors/ employees/ stakeholders/representative bodies of employees are given freedom to report to their immediate Supervisor/ Chief Vigilance Officer or Chairman & Managing Director, details of any violation of rules, regulations and unethical conduct. The Directors and Senior Management are bound to maintain confidentiality of such reporting and ensure that the whistle blowers are afforded protection against any harassment and not subjected to any discriminatory practices. During the period under report no personnel has been denied access to the Audit Committee. The Board in its 228th meeting held on December 14, 2016 amended its Whistle Blower Policy. Further, in line with the guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, CSL had adopted Fraud Prevention and Detection Policy at the 214th Board Meeting held on September 16, 2014. Since the larger objective of both policies was similar, CSL adopted a combined policy viz., Whistle Blower and Fraud Prevention Policy at the 252nd Board Meeting held on November 12, 2019. The said policy is available in the website of the Company at <https://cochinshipyard.in/uploads/investors/86e4f639de81552f10f00afec6917a09.pdf>

Code of Conduct for Prevention of Insider Trading

77. The Company has in place a Code of Conduct for Prevention of Insider Trading in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines, which advise on procedures to be followed and disclosures to be made, while dealing with the shares of the Company, and cautioning them of the consequences of violations. The Code of Conduct for Prevention of Insider Trading is hosted on the website of the Company and can be accessed at: <https://cochinshipyard.in/Investors>

Mandatory Requirements

78. A comprehensive report on the status of compliance with all the applicable corporate laws, rules and regulations by the Company is placed before the Board on a quarterly basis for their information and review. The Company has complied with all the mandatory requirements of the Code of Corporate Governance as specified in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the SEBI Listing Regulations, except with respect to the composition of Board of Directors viz., appointment of Independent Directors including a Woman Director and consequent compliances related to Statutory Committees.

Non-Mandatory Requirements

79. The Company has complied with the following non-mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the SEBI Listing Regulations is as under:

- During the year under review, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit position.

Subsidiary Company

80. Regulation 16 of the SEBI Listing Regulations defines a 'material subsidiary' as subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. Under this definition, the Company does not have any unlisted material subsidiary incorporated in India.

81. Hooghly Cochin Shipyard Limited (HCSL) is a wholly owned subsidiary company of Cochin Shipyard Limited (CSL) which was incorporated as Joint Venture Company on October 23, 2017, venturing with Hooghly Dock & Port Engineers Limited. However, since November 01, 2019, HCSL is a wholly owned subsidiary of CSL. Further, the Company has taken over Tebma Shipyards Limited (TSL) through the statutory insolvency resolution process with effect from September 15, 2020. Accordingly, TSL has become a wholly owned subsidiary of CSL with effect from September 15, 2020.

82. Pursuant to the Explanation under Regulation 16(1)(c) of the SEBI Listing Regulations, the Company has formulated a policy for determining 'material subsidiaries' which is disclosed on the Company's website at the following link: <https://cochinshipyard.in/Investors>



83. Details of compliance with the requirement of Corporate Governance guidelines:

In terms of Listing Regulations and DPE guidelines on Corporate Governance, Certificate regarding Compliance of Corporate governance guidelines from Practicing Company Secretary is placed at **Annexure I** to this report.

84. Details of Presidential Directives issued by Central Government and their compliance during the year and also in the last three years:

The Company has complied with all presidential directives issued by Central Government regarding the operation of PSUs.

85. Items of expenditure debited in books of accounts, which are not for the purposes of the business: Nil

86. Expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management: Nil

The administrative and office expenditure of the Company for the year 2020-21 was 2.05% of the total expenditure as against 1.89% in 2019-20. Financial expenditure stood at 2.29% of the total expenditure in 2020-21, against 1.59% in the previous year.

87. A certificate from a company secretary in practice, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority, is placed at **Annexure II** to this report.

88. The Company has paid an amount of ₹26.70 lakhs to M/s. Elias George & Co., Statutory Auditors for the services provided to the Company and its subsidiaries.

### Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

a. Number of complaints filed during the financial year 2020-21	1
b. Number of complaints disposed of during the financial year 2020-21	1
c. Number of complaints pending as on end of the financial year 2020-21	Nil

### Code of Conduct

89. The Board has prescribed a Code of Conduct ('Code') for all the Board members and Senior Management of the Company. All Board members and Senior Management personnel have confirmed compliance with the Code for the year 2020-21.

The Code is hosted on the website of the Company and can be accessed at: <https://cochinshipyard.in/Investors>

90. A declaration signed by the Chairman & Managing Director of the Company is given below:

*I hereby declare that all the members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code of Conduct of the Board of Directors and Senior Management personnel in respect of the financial year 2020-21.*

**Madhu S Nair**  
Chairman & Managing Director  
DIN: 07376798

### CEO/CFO Certification

91. The CEO/CFO certification of the financial statements for the year is appended at **Annexure III** to this report.

### Risk Management Process

92. CSL reviewed the existing risk management policy and adopted a revised policy encompassing a comprehensive system of Risk Management at its 259th Board Meeting held on February 12, 2021. The salient features of the new risk management policy is as follows:

(i) Risk Management Vision Statement: Minimize the organizational risks to an acceptable level and adopt risk management practices which would help the Company to attain its goals and objectives while at the same time ensuring minimization of risks.

(ii) Risk Management Policy:

(a) The Risk Management process is implemented to improve the Company's ability to prevent risks and ensure timely detection of risk.

(b) To identify risks and its mitigation.

(c) Risk Management process to be standardized.

(d) Facilitate sharing of risk information.

93. The risk management policy intends to put in place an effective risk management framework and an appropriate reporting mechanism. The management of Cochin Shipyard would periodically identify the various risks and assess/analyze their impact on the Company. Risk mitigation and management measures would be put in place to effectively manage these risks. The Board may approve changes to the policy from time to time in order to align it with the changes in business environment.

### Risk Management System and Structure

94. The Board has constituted a Risk Management Committee to review the risk management system within CSL. The Board also discharge its responsibility of risk oversight by ensuring the review at periodical intervals. The CSL management comprising of CSL Board level and below Board level executives are entrusted with the implementation of the risk management process. In this respect, Risk Management Steering Committee and Functional Risk Management Committees have been constituted to implement the policy in CSL.

95. Due to the peculiar nature of business carried on by CSL, it avoids the risk relating to its commodities.

96. Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

a) Total exposure of the listed entity to commodities in INR: ₹39.65 crores.

b) Exposure of the listed entity to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
Steel	39.65 crores	7997.12Tonnes	-	-	-	-	-

c) In order to avoid risk relating to increase in input cost, the Company places order for all major inputs with staggered delivery at the time of signing of shipbuilding contract. The offers are checked with the estimates taken for arriving at the estimated cost. In the case of ship repair, major components are normally supplied to ship owners at cost plus basis as the components are normally of the owner's preference.

### Shareholding pattern

97. The Company has issued 13,15,40,390 equity shares of ₹10/- each, details of which as on March 31, 2021 are as follows:

Category of share holders	Number of share holders	Total number of shares	Percentage (%)
Central Government	1	95843464	72.8624
Clearing Members	215	279637	0.2126
Other Bodies Corporate	568	1733561	1.3179
Directors	2	1110	0.0008
Financial Institutions	1	181	0.0001
Hindu Undivided Family	5177	883349	0.6715
Mutual Funds	7	2919959	2.2198
Nationalised Banks	1	10000	0.0076
Non-Nationalised Banks	1	110	0.0001
Foreign Nationals	1	100	0.0001
Non-Resident Indians	2904	1911050	1.4528
Non-Resident (Non Repatriable)	1167	407070	0.3095
Public	160349	17917066	13.621
Trusts	7	18058	0.0137
Insurance Companies	7	6712118	5.1027
Foreign Portfolio Investors (Individual)	4	4700	0.0036
Foreign Portfolio Investors (Corporate)	69	2860857	2.1749
Alternate Investment Funds – III	1	38000	0.0289
<b>Total</b>	<b>170482</b>	<b>131540390</b>	<b>100.0000</b>

Means of Communication

98. The quarterly/half-yearly/yearly financial results are posted on the websites of the BSE, NSE and the Company, after consideration and approval by the Board and are also published in one English national daily having all India circulation and atleast in one Malayalam national daily, Kochi edition within 48 hours of its approval. These results have also been published in one Hindi national daily having all India circulation. The Annual Report of the Company is posted in the website viz., www.cochinshipyard.in. The website of the Company also displays all official news releases.

Audit Qualifications

99. The Report submitted by M/s. Elias George & Co., Statutory Auditors of the Company does not contain any qualification, reservation or adverse remark or disclaimer.
- 100.The Secretarial Auditors, M/s. Mehta & Mehta, in their Report observed the following:
- a) During the year under report there was no Woman Director on the Board of the Company as required under Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and Section 149 of the Companies Act, 2013;
  - b) The Company was having requisite number of Independent Directors on the Board for a period from April 01, 2020 to July 14, 2020 as required under Section 149(4) of the Companies Act, 2013. However, upon end of the term of Independent Directors on July 14, 2020 there was no new appointment of Independent Directors till March 31, 2021;
  - c) During the period from July 15, 2020 to March 31, 2021, the Company has not constituted Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee as required under various provisions of the SEBI LODR Regulations, Companies Act, 2013 and the Corporate Governance Guidelines for CPSEs, wherever applicable; and
  - d) The Stock Exchanges viz., NSE and BSE had imposed a total fine of ₹18,96,000 (NSE – ₹9,58,000 and BSE – ₹9,38,000) for non-compliance of Corporate Governance conditions of SEBI LODR Regulations.

101.The explanation of the Board to the observations in the Secretarial Audit Report is given below:

Cochin Shipyard Limited (CSL) is a Central Public Sector Enterprise under the administrative control of the

Ministry of Ports, Shipping and Waterways, Government of India. Accordingly, the appointment of Directors on the Board of CSL is done by the Government of India by following due procedure of selection. The Company has forwarded necessary intimations to the Administrative Ministry for filling up the posts of Independent Directors including a Woman Director and frequent follow ups are also being done. However, the filling up of vacancies of the Independent Directors and Woman Director remains pending with the Government of India. Further, the Company could not re-constitute the aforesaid Statutory Committees due to the non-appointment of Independent Directors, which will be done once the requisite number of Independent Directors are appointed. The Company had forwarded intimations to the Stock Exchanges viz., NSE & BSE explaining the position of the Company with respect to non-compliance of Corporate Governance conditions of SEBI LODR Regulations. BSE vide their communication on April 19, 2021 waived the fine levied on the Company. The fines are levied as per the SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 which provides that the Stock Exchanges shall take uniform action in consultation with each other. Further, NSE has not taken any further action under the SEBI LODR Regulations in this regard.

Training Board Members

102.The Board members of CSL are senior executives who have a very vast, wide and varied experience in the areas of education, industry, defence, management, human resource management and administration. CSL has benefited from their vision and knowledge. Presentations are made to the Board members on the Company's performance, business model, corporate plan and future outlook, on their induction in the Board. In addition, at the Board/Committee/other meetings, detailed presentations are made by the senior management personnel/ professionals/consultants on business related issues, risk assessment, risk policy etc. The directors are encouraged to identify and attend specific training programmes to improve their effectiveness. The Board has also adopted a policy regarding training of Directors.

For and on behalf of the Board of Directors

Kochi  
June 11, 2021

**Madhu S Nair**  
Chairman & Managing Director  
DIN: 07376798

Annexure I

CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,  
**COCHIN SHIPYARD LIMITED**

We have examined the compliance of conditions of Corporate Governance by **Cochin Shipyard Limited** (hereinafter referred as "Company") for the Financial Year ended March 31, 2021, as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "SEBI LODR Regulations").

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations **subject to the following observations:**

- 1) *There was no Woman Director on the Board of Directors of the Company for the period April 01, 2020 to March 31, 2021 as required under Regulation 17(1) of SEBI LODR Regulations;*
- 2) *There were no requisite number of Independent Directors on the Board of Directors of the Company for the period July 15, 2020 to March 31, 2021 as required under Regulation 17(1) of SEBI LODR Regulations;*
- 3) *A fine has been levied by both BSE Limited ("BSE") & National Stock Exchange of India Limited ("NSE") for Non-Compliance of Corporate Governance conditions of SEBI LODR Regulations viz., Non-Appointment of Woman Director & Independent Directors & Constitution of committees, as follows:*

Sr. No.	Fine levied by Stock Exchanges	Amount	Period for which fine levied
1	BSE Limited ("BSE")	BSE: INR 9,38,000/- (Rupees Nine Lakh Thirty Eight Thousand Only)#	Quarter ended on Sep 30, 2020 and Dec 31, 2020
2	National Stock Exchange of India Limited ("NSE")	NSE: INR 9,58,000/- (Rupees Nine Lakh Fifty Eight Thousand Only)#	Quarter ended on Sep 30, 2020 and Dec 31, 2020

#The fine amounts mentioned above are exclusive of Goods and Service Tax @18%  
\*After the representations made by the Company the fine levied by BSE were waived.

- 4) *The Company has not constituted Audit Committee as required under Regulation 18 of SEBI LODR Regulations for a period from 15.07.2020 to 31.03.2021.*
- 5) *The Company has not constituted Nomination and Remuneration Committee as required under Regulation 19 of SEBI LODR Regulations for a period from 15.07.2020 to 31.03.2021.*
- 6) *The Company has not constituted Stakeholders Relationship Committee as required under Regulation 20 of SEBI LODR Regulations for a period from 15.07.2020 to 31.03.2021.*

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

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

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

**Atul Mehta**  
Partner  
PCS No : 5782  
CP No : 2486

Place: Mumbai  
Date: 11th June, 2021

UDIN: F005782C000450292



# CERTIFICATE ON CORPORATE GOVERNANCE

(Clause 8.2.1 of Guidelines on Corporate Governance for Central Public Sector Enterprises 2010 issued by Department of Public Enterprises, Government of India Ministry of Heavy Industries and Public Enterprises)

To,  
The Members,  
**COCHIN SHIPYARD LIMITED**

We have examined the compliance of conditions of Corporate Governance by **Cochin Shipyard Limited** (hereinafter referred as “Company”) for the Financial Year ended March 31, 2021, as stipulated under Clause 8.2.1 of Guidelines on Corporate Governance for Central Public Sector Enterprises 2010 (“CPSEs”) issued by Department of Public Enterprises (“DPE”), Government of India Ministry of Heavy Industries and Public Enterprises.

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the company has complied with the

conditions of Corporate Governance as stipulated in the above mentioned guidelines **subject to the following observations:**

- 1) *There was no Woman Director on the Board of Directors of Company for the period April 01, 2020 to March 31, 2021 as required under Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;*
- 2) *There were no requisite number of Independent Directors on the Board of Directors of the Company for the period July 15, 2020 to March 31, 2021 as required under Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;*
- 3) *A fine has been levied by both BSE Limited (“BSE”) & National Stock Exchange of India Limited (“NSE”) for Non-Compliance of Corporate Governance conditions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 viz., Non-Appointment of Woman Director & Independent Directors & Constitution of committees, as follows:*

Sr. No.	Fine levied by Stock Exchanges	Amount	Period for which fine levied
1	BSE Limited (“BSE”)	BSE: INR 9,38,000/- (Rupees Nine Lakh Thirty Eight Thousand Only)#	Quarter ended on Sep 30, 2020 and Dec 31, 2020
2	National Stock Exchange of India Limited (“NSE”)	NSE: INR 9,58,000/- (Rupees Nine Lakh Fifty Eight Thousand Only)#	Quarter ended on Sep 30, 2020 and Dec 31, 2020

#The fine amounts mentioned above are exclusive of Goods and Service Tax @18%

\*After the representations made by the Company the fine levied by BSE were waived.

- 4) *The Company has not constituted Audit Committee as required under Regulation 18 of SEBI LODR Regulations and Clause 4.1 of the CG Guidelines for a period from 15.07.2020 to 31.03.2021.*
- 5) *The Company has not constituted Nomination and Remuneration Committee as required under Regulation 19 of SEBI LODR Regulations and Clause 5.1 of the CG Guidelines for a period from 15.07.2020 to 31.03.2021.*
- 6) *The Company has not constituted Stakeholders Relationship Committee as required under Regulation 20 of SEBI LODR Regulations for a period from 15.07.2020 to 31.03.2021.*

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

This certificate is issued solely for the purposes of complying with the guidelines on Corporate Governance for Central Public Sector Enterprises 2010 (“CPSEs”) issued by Department of Public Enterprises (“DPE”), Ministry of Heavy Industries and Public Enterprises, Government of India and may not be suitable for any other purpose.

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

**Atul Mehta**  
Partner  
PCS No : 5782                      Place: Mumbai                      UDIN: F005782C000450325  
CP No : 2486                      Date: 11th June, 2021

## Annexure II

# CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
**Cochin Shipyard Limited,**  
Administrative Building,  
Cochin Shipyard Premises,  
Perumanoor, Cochin,  
Ernakulam, Kerala - 682015

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Cochin Shipyard Limited having CIN L63032KL1972GOI002414** and having registered office at Administrative Building, Cochin Shipyard Premises, Perumanoor, Cochin, Ernakulam, Kerala – 682015 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of appointment in Company
1.	Madhu Sankunny Nair	07376798	01/01/2016
2.	Nikerthil Velayudhan Sureshabu*	07482491	26/04/2016
3.	Bejoy Bhasker	08103825	05/04/2018
4.	Valiyaparambil Jacob Jose	08444440	01/08/2019
5.	Sanjay Bandopadhyaya	00088957	03/02/2020
6.	Kalluvila Veedu Ravindran Jyothilal	01650017	24/08/2020

\* Shri Nikerthil Velayudhan Sureshabu retired on superannuation from the services of the Company on April 30, 2021.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

**Atul Mehta**  
Partner  
FCS No : 5782                      Place: Mumbai                      UDIN: F005782C000450314  
CP No : 2486                      Date: 11th June, 2021

Annexure III

CEO/CFO Certificate

To  
The Board of Directors  
Cochin Shipyard Limited  
Kochi – 682 015

Dear Sirs,

- We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:
  - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent or illegal or violative of the Company's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies, if any.
- We have indicated to the Auditors that:
  - There has not been any significant change in internal control over financial reporting during the year;
  - There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - We are not aware of any instance during the year of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- We further certify that the funds disbursed for Corporate Social Responsibility (CSR) activities have been utilised by the Company for the purposes and in the manner as approved by the Board of Directors from time to time and also in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Rules made thereunder.

Kochi  
June 11, 2021

**Jose V J**  
Director (Finance) and CFO  
DIN: 08444440

**Madhu S Nair**  
Chairman & Managing Director  
DIN: 07376798

MANAGEMENT DISCUSSION  
AND ANALYSIS REPORT

Forward Looking Statements

- Statements in this Management Discussion and Analysis of financial condition and results of operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include government's strategy relating to acquisition of naval platforms, changes in government regulations, tax laws, economic developments within the country and such other factors globally. The financial statements are prepared under historical cost convention, on accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 and comply with the Accounting Standards specified under Section 133 of the Act. The Company has used estimates and judgements relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the state of affairs for the year.
- The following discussions on our financial condition and result of operations should be read together with our audited consolidated financial statements and the notes to these statements included in the annual report.

Shipbuilding Industry

Global Shipbuilding Industry

- The shrinkage of GDP and the trade volumes due to the current COVID-19 pandemic is directly impacting the demand and the shipyards. The current COVID-19 pandemic is the worst health crisis in more than a century and potentially without precedent if we take the globalized nature of the current economy. A simultaneous supply and demand shock that led to the global recession and unprecedented contraction in global trade (affecting both the export potential of nations and their demand

for imports). In an updated autumn 2020 report, the WTO forecast a 9.2% decline in the volume of world merchandise trade, in 2020 followed by a muted rise in 2021. Trade volume growth thus would remain clearly below the pre-crisis trend of early 2020. The impact of the COVID-19 pandemic compounded existing trends, complicating an already challenging newbuilding environment at the start of the year. Foremost amongst these was the long period of yard rationalisation after the contracting boom in the 2000s, and more recently, the uncertainties surrounding the potential impact of environmental legislation along with non-availability of finance for the industry. These existing impediments, combined with the adverse impacts of the COVID-19 pandemic, created a perfect storm of events that has effectively suppressed the appetite for fresh ordering this year.

- The fillip due to the prospects due to large ageing fleet replacements and new regulatory restrictions generated some interest and likely to impact positively on long term basis. However, the pandemic situation and the world real GDP stagnant growth on year-on-year basis will have direct negative impact on the seaborne trade and thus limiting the appetite for the new shipbuilding orders in the near future.

Indian Shipbuilding Industry and Government Initiatives

- Global downturn and rising competition have resulted in pressures on Indian ship building industry leading to a decline in its global share to <1%. While India is one of the market leaders in ship recycling, ship repairs is a very nascent market. With the objective of propelling India to the fore-front of the global maritime sector, Ministry of Ports, Shipping and Waterways has formulated Maritime India Vision 2030 (MIV 2030), a blueprint to ensure coordinated and accelerated growth of India's maritime sector in the next decade.
- MIV 2030 envisions an overall investment of ₹3,00,000 – 3,50,000 crores across ports, shipping, and inland waterways categories. This vision roadmap is estimated to help unlock ₹20,000 plus crores worth of potential annual revenue for Indian Ports. Further, it is expected to create an additional 20,00,000 plus jobs (direct and indirect) in the Indian maritime sector. Some of the Governmental initiatives already put in place are:



- a) Financial Assistance Policy on Shipbuilding (2016)
  - b) Grant of Infrastructure Status (2016)
  - c) Atmanirbhar Bharat Policy (Revised in 2020)
  - d) SOP for chartering/procurement of tugs (2020)
  - e) Pradhan Mantri Matsya Sampada Yojana (2020)
7. Vision 2030 envisions Indian ship building to become competitive with reaching the threshold on volumes by 2025 and then build the momentum in high volumes to reach “Make in India Make for World” levels and be one of the top 10 shipbuilding nations in the world. Major initiatives include channelising the cargo to improve demand, improving the ecosystem for ancillary industries, generate standardised designs for better productivity with appropriate Governmental interventions to create level playing fields to make the industry competitive in International arena. The MIV document also advocates creation of a Maritime Development Fund to provide easy access to working capital and long-term finance needs across marine sectors thus giving access to Indian shipowners to improve their capacity and shipyards to improve the infrastructure.

Some Key Sectors focused by CSL

8. Defence Shipbuilding: The Indian shipbuilding industry still continues to be driven by the defence requirements and also to some extent on the domestic demand in coastal and inland vessels. The vision of Government of India (GOI) as per the Defence Production Policy, was “to make India among the top five countries of the world in Aerospace and Defence Industries”, with active participation of public and private sector, fulfilling the objective of self-reliance as well as demand of other friendly countries. In this segment, the Company after the success in obtaining a contract for 8 nos. ASW - SWC vessels (Anti-Submarine Warfare Shallow Water Craft), CSL is declared as the lowest bidder for the New Generation Missile Vessel (NGMV) project. Both these projects are for Indian Navy.

Inland and Coastal Shipping

9. Inland Water Transport: India has increased the modal share of cargo from 0.5% to 2% and has witnessed 19% year-on-year growth in cargo volumes over the last 5 years. India has over 5,000 km of navigable inland waterways under development.
10. The future shipbuilding will be driven by green technology, autonomous vessels, and cost-efficient technologies. India

has significant opportunity to build and scale up in short sea and coastal vessel segment.

Tugs, Dredgers and Port Craft

11. In addition, the Ministry has come out with an SOP which stipulates all the service requirement of Tugs for the major ports to be reserved to Indian Built Indian Flag Tugs only, thus opening a new business avenue for the Indian shipyards to service this segment. The demand in this segment is likely to bring some opportunities for CSL also.

Cruise and Ferry Market

12. The Indian cruise industry, though in its nascent stage, is growing at over 35% due to multiple government interventions in the last 3 years. With global ocean cruise industry highly concentrated (80%+ share with top 3 players), attractive and stable policy framework is critical to attract global players to India. Over the next decade, the Indian cruise market has the potential to increase by 8X driven by rising demand and disposable incomes. However, to do so, India will have to focus on the development of infrastructure to unlock demand. Optimized development and phasing strategy are necessary for development of this sector.

Fishing Segment

13. The Pradhan Mantri Matsya Sampada Yojana (PMMSY) scheme was announced in June 2020 and is aimed to strengthen critical gaps in the fish production, productivity, quality, technology, post-harvest infrastructure and management, modernisation and improve the value chain and to establish a robust fisheries management framework in the entire fishing segment. With a total investment of ₹20,050 crores, out of which around ₹480 crores is set aside as a support for acquisition of deep sea fishing vessels for traditional fishermen. The pilot project of CSL under earlier ‘Blue Revolution Scheme’ has been a successful venture and with more allocation of funds under PMMSY, this sector is going to progress through sustainable fishing practices in the deep sea and also to provide necessary fishing infrastructural facilities to support deep sea fishing thus achieving the economic benefits for the sector. CSL is actively engaged in the programme and is also a member of the committee constituted to develop standardised design and guidelines for inspection and quality standards for the boat building yards towards manufacturing of standardised efficient deep sea fishing vessels. CSL is also gearing up to participate in this programme with different standard variants to suit the customer requirements of fishers from various states.

Ship Repair Industry

Global Ship Repair Industry

14. Global ship repair market is currently dominated by shipyards in China, Singapore and Middle East largely due to the availability of a skilled workforce and latest technology. The global market for ship repair and maintenance service is expected to witness significant growth, reaching a market value of USD 40 Billion by 2030 supported by developments in the markets in South East Asia and India. Though India’s share in global ship repair is less than 1%, the country’s location is favourable with 7 to 9% of the global trade passing within 300 NM of the coastline. Additionally, India is poised well to offer repair services to Indian Navy and the allies US Navy’s 5th and 7th fleet in Indian Ocean & Arabian Sea.
15. The untapped potential in the Indian ship repair market can be attributed to the presence of competing international ship repair yards on major trade routes and a capability gap of Indian yards in repairing certain kinds of vessels. Other reasons of cost disadvantages include high cost of financing, lack of supply of ship spares in India and technology related issues increasing ship repair execution cycle time. To address the above gaps, under MIV 2030 the government is giving a strong push with initiatives such as channelising the domestic demand leveraging Atmanirbhar Policy, increase and improve infrastructure through better access to financial instruments, ease of doing business and improve efficiencies by creating free trade depots, maritime clusters etc.
16. Ship repair industry being labour intensive, India has got the advantage of having strong work force to cater for the requirement. However, the untapped potential in the Indian ship repair market can be attributed to the presence of competing international ship repair yards on major trade routes and a capability gap of Indian yards in repairing certain kinds of vessels. Other reasons of cost disadvantages include high cost of financing, lack of supply of ship spares in India, ancillary support and technology related issues increasing ship repair execution cycle time.
17. Ship repair industry like many other industries has been greatly affected by the prevailing COVID-19 pandemic. Ship repair facilities across the world have suffered right from the start of the pandemic.

Government of India’s Initiatives & Support

18. GOI has come up with stricter, sturdy initiatives/ implementation methods to support the industry:

- a) The economic stimulus measures by Government of India and RBI is expected to boost the industry in both the supply and demand side.
  - b) Atmanirbhar Bharat and the Make in India initiatives is expected to propel the industry especially with the ancillary industry.
  - c) ROFR for Indian repair yards.
19. As brought out in the Maritime India Vision 2030, the government is giving a strong push with initiatives such as channelizing the domestic demand leveraging Atmanirbhar Policy, increase and improve infrastructure through better access to financial instruments, ease of doing business and improve efficiencies by creating free trade depots, maritime clusters etc. These initiatives are expected to help the ship repair business in India to grow manifold in the years to come and make India hold a major share in the global ship repair market.

CSL initiatives in Ship repair

20. CSL Ship repair business has grown leaps and bounds. The Ship Repair Division is focusing on increased business volumes (at present close to 100 ships are being refitted annually), and on niche areas such as Submarine Refits, Offshore Fabrication, Conversions etc.
21. CSL is in the final phase of completion of work at “International Ship Repair Facility (ISRF)” at Willingdon Island, Cochin which would host a state-of-the-art Ship Lift System with six independent work stations. This new Greenfield facility, in close proximity to the Southern Command in Kochi is scheduled to be up and running shortly and would be capable of accommodating vessels up to 130 Mtrs length & 6000 T displacement. The Yard is also setting up a new dry-dock within its main premises to cater for the shipbuilding and ship repair activity which includes building of larger capacity vessels and repair to offshore rigs. CSL has also expanded its foot prints across the Indian coast by setting up ship repair units at Mumbai, Kolkata & Port Blair to cater for the demand in ship repair segment.
22. As part of the expansion plans CSL entered into an agreement with Mumbai Port Trust on October 20, 2018 and commenced operations and management of the Indira Dock on January 18, 2019 and so far repaired around 49 vessels. CSL has also commenced ship repair operations at Netaji Subhas Dock of Kolkata Port Trust which was taken on lease basis. CSL has also taken over ship repair operations at Marine Dockyard facility at Port Blair which is presently being operated by A&N Administration. These initiatives would help better utilisation of existing ship

repair facilities in the country and is likely to positively impact the Company’s revenue. CSL has also signed MoUs with various stakeholders, with a view to enhance business growth and technological advancement in the field.

23. With GOI, MIV 2030 in place and fuelled with the various initiatives brought out by the Yard in line with the CRUISE 2030, CSL is poised for vibrant ship repair business times in the future.

Operations

24. Our Company’s performance continued to be promising in all segments. The total turnover of the Company is ₹2,818.90 crores as against the previous year of ₹3,422.49 crores. The shipbuilding income during the year is ₹2,405.60 crores as against the previous year income of ₹2,852.27 crores. During the year, CSL delivered one no. of 500 Passenger cum 150 MT Cargo Vessel for Andaman and Nicobar Administration, two nos. of Ro-Ro Ferry for Inland Waterways Authority of India (IWAI), three nos. of Marine Ambulance Boat for the Fisheries Department of Government of Kerala and five nos. of Tuna Long Liner cum Gillnetter Fishing Boat for the beneficiaries of Tamil Nadu. CSL also delivered two Brows and Pontoons for Indian Navy. Further, the construction of three nos. of Anti-Submarine

Warfare Shallow Water Craft for Indian Navy, nine nos. of Floating Border Outpost (FBOP) Vessel for the Ministry of Home Affairs, four nos. of 8000 DWT Mini General Cargo Ship for JSW Shipping & Logistics Private Limited and five nos. of Hybrid Electric – Passenger Ferry for Kochi Metro Rail Limited (KMRL) are progressing.

The Yard also completed various major milestones on the projects including, launching of five vessels at one go from its Building Dock at Kochi and also laid the keel for two vessels on the same day. The vessels launched were two 8000 DWT Mini General Cargo Ships for JSW Shipping & Logistics Private Limited and three FBOP Vessels for the Ministry of Home Affairs and the keel laying was carried out for two 8000 DWT Mini General Cargo Ships for JSW Shipping & Logistics Private Limited. Further, CSL also launched one Hybrid Electric – Passenger Ferry (100 Pax) for KMRL and carried out keel laying for three FBOP Vessels for the Ministry of Home Affairs. CSL also carried out steel cutting of three Anti-Submarine Warfare Shallow Water Craft for Indian Navy and five Hybrid Electric – Passenger Ferries (100 Pax) for KMRL. CSL achieved these milestones amidst the COVID-19 pandemic by working with available resources with necessary precautions. Further, final phases in the construction of Indigenous Aircraft Carrier for Indian Navy, is also progressing.

Financial Information

25. The financial information of the Company pertaining to the last decade is given below:

(Amount in ₹ Crores)

Year	Paid up capital	Nominal value of shares (₹ per share)	Capital employed	Net worth	Profit Before Tax	Tax on Profits	Net Profits	EPS (₹)	Dividend	Payout ratio
20-21	131.54	10	3921.02	3977.57	810.59	200.49	610.10	46.38	203.89	0.33
19-20	131.54	10	3784.81	3731.80	863.43	225.74	637.69	48.48	218.75	0.34
18-19	131.54	10	3017.66	3332.08	751.38	270.20	481.18	35.72	171.00	0.35
17-18	135.94	10	3212.22	3255.87	604.86	208.11	396.75	31.03	163.12	0.41
16-17	113.28	10	2089.05	2028.58	493.40	171.85	321.55	28.39	101.61	0.32
15-16	113.28	10	1695.35	1814.33	419.65	145.86	273.79	24.07	86.65	0.32
14-15	113.28	10	1621.24	1561.07	367.56	132.49	235.07	20.75	16.99	0.07
13-14	113.28	10	1389.98	1352.53	290.96	96.71	194.24	17.15	16.99	0.08
12-13	113.28	10	970.84	1175.70	275.55	90.28	185.27	16.35	16.99	0.09
11-12	152.42	10	918.68	1050.83	252.97	80.63	172.33	15.21	16.99	0.10

Key Financial Ratios

Sl. No.	Particulars	FY 2020-21	FY 2019-20	Change (in %) as compared to FY 2019-20	Detailed explanation for change of 25% or more
1.	Debtors Turnover	8.79	10.06	-12.62	N A
2.	Inventory Turnover	7.56	11.47	-34.08	#
3.	Interest Coverage	81.89	86.36	-5.18	N A
4.	Current Ratio	1.73	2.05	-15.76	N A
5.	Debt Equity Ratio	0.03	0.03	-6.18	N A
6.	Operating Profit Margin (%)	21.88	18.00	21.57	N A
7.	Net Profit Margin (%)	21.64	18.63	16.16	N A

# COVID-19 Pandemic has affected production as well as revenue during the year. Decrease in turnover and piling up of stock resulting from production process slow down, has resulted in decrease in inventory turnover ratio during the year.

Return on Net Worth

Particulars	FY 2020-21	FY 2019-20	Change (in %) as compared to FY 2019-20	Detailed explanation for change
Return on Networth (%)	15.34	17.09	-10.24	##

## Change is on account of decrease in PAT and increase in net worth. Shutdown of factory till May 05, 2020 has impacted revenue and profit during the year.

Proposed / Declared Dividend

26. As per Office Memorandum F.No.5/2/2016-Policy dated May 27, 2016 issued by Department of Investment and Public Asset Management (DIPAM), every CPSE have to pay a minimum annual dividend of 30% of PAT or 5% of the net-worth, whichever is higher. Accordingly, your Directors are pleased to recommend a final dividend of ₹2.50/- per share on the 13,15,40,390 fully paid equity shares of ₹10/- each. Earlier, interim dividends of ₹9/- and ₹4/-, aggregating ₹13/- per equity share had been paid to the shareholders during 2020-21. Thus, the total dividend for the year 2020-21 is ₹15.50/- per equity share (155%), amounting to ₹203.89 crores.

Segment-wise/ Product-wise Performance

27. The Company is engaged in two major activities viz., shipbuilding and repair of ships/offshore rigs etc. Segment wise analysis has been made on the above basis and amounts allocated on a reasonable basis. The segment wise performance is given below: (₹ Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Segment Assets</b>		
Shipbuilding	3,19,484.51	2,92,812.55
Ship Repair	2,59,606.41	2,43,285.53
Others	1,60,863.06	1,04,364.17
<b>Total</b>	<b>7,39,953.98</b>	<b>6,40,462.25</b>
<b>Segment Liabilities</b>		
Shipbuilding	1,04,576.01	67,144.21
Ship Repair	11,264.54	12,715.35
Others	2,26,356.75	1,87,423.19
<b>Total</b>	<b>3,42,197.30</b>	<b>2,67,282.75</b>
<b>Segment Revenue</b>		
Shipbuilding	2,40,559.27	2,85,226.50
Ship Repair	41,330.43	57,022.89



(₹ Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Unallocated	19,386.07	24,750.03
<b>Total</b>	<b>3,01,275.77</b>	<b>3,66,999.42</b>
<b>Segment Result</b>		
Shipbuilding	76,229.86	66,459.10
Ship Repair	9,419.89	14,741.55
Unallocated	(4,591.11)	5,141.93
<b>Total</b>	<b>81,058.64</b>	<b>86,342.58</b>

28. The Company has two major business segments – “shipbuilding” and “ship repair”. Revenue under shipbuilding includes ₹2,03,736.66 lakhs (previous year: ₹2,37,746.87 lakhs) from one customer (previous year: one customer) having more than 10% revenue of the total revenue, and for ship repair includes ₹29,714.58 lakhs (previous year: ₹49,582.22 lakhs) from three customers (previous year: three customers) having more than 10% revenue of the total revenue.

SWOT

Strengths:

- (a) Highly trained, motivated and knowledgeable manpower with an average of 15 years of experience at all levels of hierarchy resulting in extremely high quality workmanship;
- (b) A well planned and laid out shipyard enabling smooth work flow;
- (c) A modern ‘state-of-the-art’ design centre manned by highly trained, experienced and competent naval architects/engineers, draftsman etc.;
- (d) Highly evolved shipbuilding processes and practices permitting modular construction of ships;
- (e) A very good product mix compatibility comprising of defence ships, commercial ships and offshore support ships;
- (f) Availability of quality sub-contractors and good supply chain network; and
- (g) ‘State-of-the-art’ facilities especially in terms of craneage, transporters, covered mobile shops, covered marine coating facility, high quality welding equipment, international standard hull fabrication facilities, substantial material storage facilities etc.

Weaknesses:

- (a) Virtually non-existent indigenous ancillary industries and consequently non-availability of major equipment/raw materials in India;

- (b) Infrastructure constraints due to non-availability of large sized dock to build and repair ships beyond 1,10,000 DWT and 1,25,000 DWT respectively. (This will be overcome with the proposed new dry-dock);
- (c) Difficulty to arrange long term project finance to ship owners which is offered by other overseas shipbuilding countries; and
- (d) Comparatively higher social and employee overheads and certain restrictive labour practices especially for contracting labour.

Opportunities:

- (a) Projected increase in requirement of ships for the domestic commercial segment, owing to the new GOI policy to encourage “Make in India”;
- (b) Projected demand in the defence sector;
- (c) Indian Navy, Coast Guard and other maritime security agencies have embarked on an ambitious expansion programme which will open new opportunities;
- (d) LNG fuelled vessels, both deep sea and coastal;
- (e) Emerging opportunities in the inland waterways and coastal shipping sector in India;
- (f) Fishing vessels for both domestic and overseas market;
- (g) Tap opportunities for FRP boats for coastal security; and
- (h) Huge demand – supply gap for the repair of commercial and defence ships and virtually no competition in India.

Threats:

- (a) Spread of contagious diseases like COVID-19 pandemic;
- (b) Natural disasters;
- (c) Distress pricing policies of competitors;
- (d) Adverse reputational impact on the Indian shipbuilding industry due to under performance by Indian yards;

- (e) Rising cost of labour; and
- (f) Non-flexible government regulations on procurement policies delaying the product delivery timelines and cost.

CRUISE 2030

29. CSL has embarked on a bold transformation programme, CRUISE 2030 in March 2019 to achieve breakout growth along with globally competitive operations to profitably achieve the growth. We continued to drive CRUISE 2030 strongly in FY 2020-21 through our partnership with M/s. Boston Consulting Group. During the last year, CRUISE 2030 focused strongly on building the new businesses such as deep sea fishing vessels and electronic control systems, strengthening the operations maturity through ‘Shipyard 4.0’ and Project Management initiatives. The CRUISE 2030 programme also focused on CSL’s breakthrough into the Dredging and Inland Barges, and structured cost reduction initiatives across fishing vessels and other businesses. The Company is also working towards building capability in advanced technologies to tap business potential in new emerging vessel segments such as autonomous, hybrid / electric vessels and alternative fuels. CSL has formed a dedicated Center of Excellence team to drive digital transformation across the value chain, i.e. Planning, Design, Procurement and Operations. Operational transformation programmes through shop floor automation and capacity expansions are underway as per the CRUISE 2030 strategy plan.

Risks and Concerns

- 30. Pandemics like COVID-19 and the resultant lock down also impose various risks on the operations of the Company. The scale of production will be reduced due to various factors including restricted working arrangements, travel constraints, reduction in outsourced manpower (which to a certain extent due to reduced migrant labour availability), non-availability of service engineers and OEM representatives especially related to foreign equipment on account of international and inter-state travel restrictions. Projects can also run at a delayed pace due to the factors mentioned above and also on account of issues in material availability and logistic, issues related to locked down states of origin (domestic and international) and also issues relating to cash flows from customers.
- 31. Also, there are possibilities of withholding of future projects by clients, cancellation of running enquiries and potential projects might have to be put on hold citing liquidity issues. Additionally, impaired cargo movement through road, shipping channels and air routes (due to labour shortages, operational hurdles at ports, airlines cutting down on

operations) would add to cost of imports as well as exports further pressuring Company. The assessment of cumulative impact will be possible only once reasonable level of revival occurs.

- 32. The risks for the Company arise from the inherent nature of the shipbuilding industry. About 20 to 30% of the Company’s revenue is from the commercial shipbuilding which is highly cyclical in nature. The commercial shipbuilding industry prospects are dependent on world trade and the cyclicity of oil, natural gas, shipping, transportation and other trade related industries. Offshore Industry continues to be in the trough. The pandemic situation arising from the last quarter of FY21 and continuance of the same has created concerns world over and the situation are on watch for the probable indications towards the tectonic shifts in the international economy with significant impact in the shipbuilding & repair industries too.
- 33. Substantial portion of the Company’s activities involve the fabrication and refurbishment of large steel structures and its erection which would entail the operation of cranes and other heavy machinery and other operating hazards. The operational risks faced by the Company also could result in fires and explosions etc. Though the losses caused on such eventualities are covered under a standard fire and special perils policy, CSL do not have insurance for business interruption. These risks could expose the Company to substantial liability for personal injury, wrongful death, product liability, property damage, pollution and other environmental damages.
- 34. Another high risk area for the Company is the availability and price fluctuations of major raw materials. The major raw materials include steel (the grade and quality of which, in each project, depends on the applicable classification rules) and other materials, equipment and other components such as pumps, propellers and engines. In fiscals 2019, 2020 and 2021 respectively, the Company’s material consumption costs constituted 61.61%, 63.99% and 55.39% of its total costs, respectively. In particular, bought out components accounted for nearly 94.88% of our total raw material cost in these recent fiscals.
- 35. Shortages in the supply of raw materials may result in an increase in the price of these raw materials. For example, there are supply-side constraints in relation to steel in India which we expect will continue in future. The Indian steel industry has been unable to compete globally due to which the GOI has imposed significant duties on the import of steel from other countries such as China to protect the domestic steel industry. This has adverse impacts when CSL is unable to source steel economically. In addition, the cost of certain raw materials, such as steel, aluminium, copper

etc., may fluctuate in line with any changes in their global supply and demand and thus impacting the material cost.

36. In the event that the price of the Company's raw materials increase, the Company will not be able to pass these price increases to its customers on its existing fixed contracts and its business, financial condition and results of operations can be adversely affected.
37. Changes in currency exchange rates may influence our results of operations. Globally, a substantial part of all worldwide ship sales transactions and purchase of offshore structures is generally conducted in USD. To mitigate this risk, the Company hedges the net forex exposure on the export receivables. However, in the case of import components in respect of shipbuilding/ship repair contracts denominated in Rupee terms, CSL is exposed to exchange rate fluctuation risk unless the contract with the ship owner provides for an exchange variation reimbursement clause. Currently, some of the shipbuilding contracts do not contain such provision. Hence, adverse fluctuation in the currency rates will affect and influence our results of operations.

Product Diversification

38. With the GOI focusing on the blue revolution and the recent impetus for the upliftment of the fishing community all along the coastal India, CSL sees a surge both in the demand as well as in the quality of the fishing vessel segment in India. With the construction of 16 fishing boats delivered and performing well and with the volumes to the tune of many thousands being projected by the industry, CSL feels that this could eventually turn out to be a separate vertical by itself, if everything goes as planned by the government. To bring impetus to this segment, Company has acquired Tebma Shipyards Limited (TSL) through the statutory insolvency resolution process on September 15, 2020. CSL proposes to utilise the facilities at TSL for building fishing vessels (especially technologically advanced deep sea fishing vessels), tugs and specialized crafts of upto 80 M length which projects huge potential in domestic as well as international markets in the coming years. TSL is presently in the process of revamping the infrastructure facilities for commencing its operations.
39. There is good scope on the inland transportation segment. In this regard Company already is working closely with Inland Waterways Authority of India (IWAI) by constructing 10 vessels for the inland waterways and is expecting more projects from this segment. The operationalisation of HCSL will put the Company in a better position to meet the customer demands in this segment which primarily is going to grow in NW1 and NW2 in the initial stage. Similarly,

the urban water transport segment is seeing new project initiatives and the Company has successfully won contract to build 23 nos. of battery powered boats which will put the Company in an elite group to have built such future generation vessels and thus drive the market further. Company is examining the possibility of conversion of vessels to run on alternate fuels such as methanol fuel, for which a proposal submitted is under the consideration of the Ministry/IWAI.

Internal Control

40. The Company has promulgated an internal control and internal audit manual and has in place adequate internal control systems. The internal audit function is carried out by an independent firm of Chartered Accountants who carry out an in-depth review of internal control systems in critical areas based on the audit programme approved by the Board level Audit Committee headed by an Independent Director. During the financial year 2019-20, the Company had engaged M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants (Firm Registration No. 001488S) for reviewing and installing adequate Internal Financial Controls and to ensure proper and adequate systems for compliance with the provisions of all applicable laws. Such controls were tested and no reportable material weakness in the design or operation was observed. There is no major variation in the control environment during the FY 2020-21. During FY 2020-21, the review of the Internal Financial Controls were carried out by the in-house internal audit team and no material weakness in the financial controls were reported.

Human Resource Development and Industrial Relations

41. The details regarding Human Resource Development and Industrial Relations are more specifically covered in the Directors' Report.

Women Empowerment

42. CSL has constituted an Internal Complaints Committee in accordance with the guidelines and norms prescribed by Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. A senior woman executive is the Chairperson of the Internal Complaints Committee. The Certified Standing Orders applicable to workmen include sexual harassment as an act constituting misconduct. The Internal Complaints Committee is empowered to enquire into such complaints as per the procedure laid down in the Certified Standing Orders and Industrial Employment (Standing Orders) Acts and Rules.

43. The Company ensures the participation of women in various forum including Joint Council, Shop Council, Central Safety Council, Shop Safety Council, Employees Contributory Provident Fund Trust, Employees Cochin Shipyard Recreation Club, Employees Cochin Shipyard Consumer Society etc.

Technology Conservation

44. CSL continuously strives for conservation and upgradation of technology to remain competitive in the global shipbuilding market. Towards this the Company has taken the following initiatives:
- i. Development of NAPA software code for automatic generation of loading conditions and intact & damage stability criteria check of these loading conditions.
  - ii. Development of Basic Design of tugs (five standard designs for Tugs for IPA) in collaboration with Robert Allan Ltd., a leading Canadian Design Firm, specialized in Tug Design.
  - iii. Development of three standard designs for Fishing vessels for GOI.
  - iv. Developed concept design of 12m Autonomous Surface Vessel as feasibility study project.
  - v. Developed concept design of Hydrogen powered fuel cell passenger ferry boat.
  - vi. Performed structural analysis of KMRL Catamaran ferry during lifted conditions, using Simulia, Finite Element Analysis tool that was procured as part of 3D EXPERIENCE Platform.
  - vii. Developed concept design of battery powered Ro-Ro vessel.
  - viii. Developed concept design for 80 Pax River Cruise Vessel for operation in Ayodhya.
  - ix. Developed concept design for 3000 T Inland Cargo carrier for operation in NW1, NW2 and Indo Bangladesh protocol route.
  - x. Development of concept design of Cadet Training Ship (CTS) for Indian Navy.
  - xi. Developed concept design for Submersible Testing Platform using a modular concept.
  - xii. Development of concept design of 5500 T Bulk carrier.
  - xiii. Development of concept design of a Hospital ship.
  - xiv. Development of concept design of wind assisted Bulk carrier.
  - xv. Development of concept design of Landing Craft.
  - xvi. Development of concept design of Offshore paint barge.

Corporate Social Responsibility (CSR) and Sustainability

45. For more details, please refer the annual report on CSR activities placed at Annexure III to Directors' Report.

Micro Small and Medium Enterprises (MSME) as per the Public Procurement Policy 2012

46. The Company is making all out efforts to increase the procurement/ availing services from MSMEs. The Company has achieved a target of 43.95%, against the required target of 25% procurement of goods and services from MSMEs, out of total indigenous procurement for FY 2020-21, till March 31, 2021, in spite of COVID-19 pandemic effects and restrictions. SC/ST and women MSME entrepreneurs are also getting benefitted due to CSL's initiatives.
47. With a view to promote procurement/avail services through MSMEs as per the Public Procurement Policy 2012 promulgated by the Government of India (GOI), Cochin Shipyard Limited attended a virtual vendor meet organised by MSME – DI, Thrissur, Kerala during October 2020.
48. Other initiatives include, making CSL website user-friendly for MSME vendors, regular uploading of procurement data and other details in "MSME SAMBANDH" portal, ensuring no vendor complaint is pending in "MSME SAMADHAAN" portal on delayed payment monitoring system which implies payments to MSME vendors are effected without delay, on boarding of around 180 vendors in TReDS platform etc.

Cautionary statement

49. Statement in this 'Management Discussion and Analysis Report' describing the objectives, expectations, assumptions or predictions of the Company may be forward looking statements within the meaning of applicable rules and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the operations of the Company include economic conditions affecting demand/supply, price conditions in the domestic and international markets, Government policies and regulations, statutes and other incidental factors.

For and on behalf of the Board of Directors

Kochi  
June 11, 2021

**Madhu S Nair**  
Chairman & Managing Director  
DIN: 07376798



# BUSINESS RESPONSIBILITY REPORT

## About this report

In terms of Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Reports of the top one thousand listed entities based on market capitalization at the BSE and NSE shall contain a Business Responsibility Report (BRR) describing the initiatives taken by the Company from an environmental, social and governance perspective, which includes CSL.

The reporting framework is based on the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs, Government of India, in July 2011 which contains 9 Principles and Core Elements for each of the 9 Principles. Following is the Business Responsibility Report of our Company based on the format suggested by SEBI.

## Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company	L63032KL1972GOI002414
2. Name of the Company	Cochin Shipyard Limited
3. Registered address	Administrative Building, Cochin Shipyard Premises, Perumanoor, Ernakulam, Kerala – 682015.
4. Website	www.cochinshipyard.in
5. E-mail id	secretary@cochinshipyard.in
6. Financial Year reported	2020-21
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Shipbuilding and Ship Repair (Industrial Group 301 and 331 as per National Industrial Classification of the Ministry of Statistics and Programme Implementation)
8. List three key products/services that the Company manufactures/ provides (as in balance sheet)	The Company is engaged in the business of shipbuilding and ship repair. Inter alia considering nature of production process and infrastructure facilities used, there are no other reportable segment.
9. Total number of locations where business activity is undertaken by the Company	
a) Number of International Locations (Provide details of major 5)	Nil
b) Number of National Locations	Five
10. Markets served by the Company – Local/State/National/International	Local, State, National and International

## Section B: Financial Details of the Company

1. Paid up Capital	₹131.54 crores
2. Total Turnover	₹2,818.90 crores
3. Total profit after taxes	₹610.10 crores
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹15.26 crores 2.50%
5. List of activities in which expenditure in 4 above has been incurred	CSL's CSR activities are carried out in the following focus areas: <ul style="list-style-type: none"><li>Healthcare and Nutrition</li></ul>

## Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?	Yes, CSL has two Subsidiaries viz., Hooghly Cochin Shipyard Limited (HCSL) and Tebma Shipyards Limited (TSL).
2. Do the Subsidiary Company/ Companies participate in the BR initiatives of parent company? If yes, then indicate the number of such subsidiary company(s)	No. HCSL was incorporated only in October 2017 and is yet to commence operations. TSL was acquired through the statutory insolvency resolution process in September 2020. Due to the financial difficulties and consequent statutory insolvency resolution process, TSL's facilities had been non-operational for the past several years. Post takeover by CSL in September 2020, TSL has initiated the process of revamping its infrastructure facilities for commencing the operations. Hence, both the Subsidiary Companies have not started to participate in the BR initiatives of CSL.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]	The Company has adopted well established procedures for outsourcing and procurement activities in order to ensure quality, on time delivery and optimum cost. Care is taken to have a panel of vendors with sound integrity. The Company has introduced e-payment, integrity pact etc., for a more transparent method of procurement. The standard terms and conditions of purchase order conforms to the Company policy on safety, environment etc., and are accepted by the vendor. Hence, majority (more than 60%) conform to the key principles of the business responsibility.





3. Governance related to BR

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The senior management of the Company reviews BR performance on an ongoing basis. The Board/ Committees constituted by it review the same periodically.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes. The Company publishes BR Report annually as part of its annual report. The hyperlink for viewing the report: <https://cochinshipyard.in/annual-report>

Section E: Principle-Wise Performance

Principle 1: Businesses should conduct and govern themselves with ethics, transparency and accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company has positioned an Integrity Pact which is signed with bidders to enable them to raise any issues with regard to high value tenders of more than ₹100 lakhs floated from time to time. People of high repute and integrity are appointed as Independent External Monitors to oversee implementation of the said Integrity Pact.

The pact essentially envisages an agreement between the prospective vendors/bidders and CSL committing the persons/officials of both sides, not to resort to any corrupt practices in any aspect/stage of the contract. Any violation of the same would entail disqualification of the bidders and exclusion from future business dealings.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

During the financial year 2020-21, 4 investor complaints were received by the Company through SEBI SCORES Platform, NSE and BSE and Registrar & Transfer Agent. All these complaints were attended to and resolved on priority basis.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is engaged in the business of shipbuilding and ship repair. As such the Company has only one product, which has been designed to incorporate social or environmental concerns as well as benefit from the available opportunities.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain.

The Company recognizes its commitment to achieve economic development through sustainable methods. This is proposed to be achieved through employment of appropriate technology, transparency in procurement and outsourcing and participation in sustainable development programmes.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year.

CSL has implemented various energy conservation measure viz., installation of solar power plant, electrification of new buildings is carried out with LED lights instead of conventional discharge lamps, replacement of high electricity consuming light fittings with energy efficient LED fittings, replacement of conventional split air conditioner system with VRF air conditioning system, regular monitoring and rectification of leakages in the compressed air distribution system and other industrial gas lines, switching off air compressor during lunch break, switching off main power supply to shops, quays & docks momentarily at 12:15 hrs. which trips man coolers, roof extractors (controlled through starters), etc., which are not required during the lunch break, displayed energy saving stickers & posters, conducted seminar and quiz competition for inculcating awareness among employees for energy conservation aimed at optimum use of electric power, continuously monitoring and maintaining power factor near unity etc. Energy savings of approximately 8.40 lakhs units per annum have been achieved with the implementation of measures specified above.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

The Company has been following approved criteria for the selection of vendors to ensure sustainable sourcing which inter alia includes vendors having ISO 9000 certification, vendors approved by regulatory bodies, various authorized dealers of the manufacturer, ability to provide materials as per laid down specification and other requirements, ability to supply materials as per stipulated delivery period. Annual evaluation of the orders placed on a vendor is completed to decide the average performance. A vendor is removed / suspended from approved vendor list based on his average performance over the period of evaluation. Vendors list is reviewed and updated once in a year.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

With a view to promote procurement/avail services through local and small producers and service providers including Micro, Small and Medium Enterprises (MSME) as per the Public Procurement Policy 2012 promulgated by the Government of India (GOI), the Company is making all out efforts to increase the procurement/ availing services from MSMEs. The Company has achieved a target of 43.95%, against the required target of 25% procurement of goods and services from MSMEs, out of total indigenous procurement for FY 2020-21, till March 31, 2021, in spite of COVID-19 pandemic effects and restrictions. SC/ST and women MSME entrepreneurs are also getting benefitted due to CSL's initiatives.

Further, Cochin Shipyard Limited attended a virtual vendor meet organised by MSME – DI, Thrissur, Kerala during October 2020 to promote procurement/avail services through MSMEs.

Other initiatives include, making CSL website user-friendly for MSME vendors, regular uploading of procurement data

and other details in “MSME SAMBANDH” portal, ensuring no vendor application is pending in “MSME SAMADHAAN” portal on delayed payment monitoring system which implies payments to MSME vendors are effected without delay, on boarding of around 180 vendors in TReDS platform etc.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%)?

Due to the nature of products of the Company and the waste generated, mechanism to recycle is not available. However, the wastes are disposed off through agencies dealing in such disposal or recycling and approved by the environmental authorities.

Principle 3: Businesses should promote the well being of all employees

1. Total number of employees: 1727 (permanent employees)

2. Total number of employees hired on temporary / contractual /casual basis: Average 6500 per day

3. The number of permanent women employees: 152

4. The number of permanent employees with disabilities: 57

5. Do you have an employee association that is recognized by management?

Yes, CSL have four employee association recognised by the management viz.:

- a. Cochin Shipyard Officers Association (CSOA)
- b. Cochin Shipyard Supervisory Staff Association (CSSSA)
- c. Cochin Shipyard Employees Organisation (CSEO)
- d. Cochin Shipyard Employees Federation (CSEF)

6. What percentage of your permanent employees is members of this recognized employee association?

Most executives are members of Cochin Shipyard Officers Association. In the case of permanent workmen, most of them are affiliated to various recognised unions.

7. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the year.

Sl. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour / forced labour/ involuntary labour	The Company does not hire child labour, forced labour or involuntary labour. No compliant.	Not Applicable
2.	Sexual harassment	1	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety and skill upgradation training in the last year?

Permanent Employees: 100%  
Permanent Women Employees: 100%  
Casual/Temporary/Contractual Employees: 100%  
Employees with Benchmark Disabilities: 100%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the Company mapped its internal and external stakeholders?

Yes, the Company has mapped its internal as well as external stakeholders.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

CSL's CSR projects aims at benefiting the disadvantaged, vulnerable and marginalized community who are present across Kerala particularly in remote rural/tribal communities. Further, CSL ensures that the reservation policy as advised by the Government of India (GOI) is implemented. CSL is also involved in improving the quality of life of persons for whom projects are specially designed. The Company has identified (i) SC/ST (ii) differently abled as disadvantaged, vulnerable and marginalized for employment purpose.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

CSL has made commitments for various projects across Kerala in its CSR thrust areas, largely catering to disadvantaged, vulnerable and marginalized stakeholders viz., education, sanitation & smart class rooms for children, healthcare initiatives for tribal communities, several initiatives for differently abled persons, empowerment of women through income enhancing skill development programmes and other interventions in rural/tribal/semi-urban areas. The Company follows all the GOI regulations regarding reservations for SC/ST and differently abled.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the group/joint ventures/suppliers/contractors/NGOs/others?

The human resource policies of the Company cover all aspects of human rights of its employees and others

associated with it for operation of its business and covers human rights of employees of the subsidiaries also. No complaints have been received in the past financial year on human rights.

The Company is committed to uphold and maintain the dignity of women employees and it has in place a policy which provides for protection against sexual harassment of women at work place and for prevention and redressal of such complaints. During the year under review, the Company has received one such complaint and the same was closed.

The Company is committed to comply with all human rights practices across subsidiaries and other stakeholders associated with the Company.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During the year under review, 4 complaints were received from investors and all the complaints were resolved to their satisfaction.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the Company or extends to the group/joint ventures/suppliers/contractors/NGOs/others?

Covers the Company. As a part of the integrated approach of the Company, our commitment to the mother nature is demonstrated through our ongoing effort to reduce the adverse impact on the environment and reinforcing the positive contribution. We strive to achieve this by identifying the significant environmental aspects of its activities and products and developing programmes and processes to reduce or control them with an aim of protecting the environment. During the reporting period, the Company has received SILVER GreenCo Rating which is the "first of its kind in the World" holistic framework that evaluates companies on the environmental friendliness of their activities using life cycle approach. The Company also persuades and encourages its business partners/vendors/contractors to move towards environmental friendly processes, right from design to disposal.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? If yes, please give hyperlink for webpage etc.

The Company has a detailed manual which describe the common procedures that need to be established

for the effective implementation of the environmental management system, meeting the requirements of the international standards ISO 14001:2015.

3. Does the Company identify and assess potential environmental risks?

Yes.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

Presently, CSL does not have any project under Clean Development Mechanism.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? If yes, please give hyperlink for web page etc.

The Company has undertaken various initiatives like, installation of solar power plant, electrification of new buildings is carried out with LED lights instead of conventional discharge lamps, replacement of high electricity consuming light fittings with energy efficient LED fittings, replacement of conventional split air conditioner system with VRF air conditioning system, regular monitoring and rectification of leakages in the compressed air distribution system and other industrial gas lines, switching off air compressor during lunch break, switching off main power supply to shops, quays & docks momentarily at 12:15 hrs. which trips man coolers, roof extractors (controlled through starters), etc., which are not required during the lunch break, displayed energy saving stickers & posters, conducted seminar and quiz competition for inculcating awareness among employees for energy conservation aimed at optimum use of electric power, continuously monitoring and maintaining power factor near unity etc. These initiatives resulted in energy savings of approximately 8.40 lakhs units per annum.

6. Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

In the financial year 2020-21, there are no pending CPCB/SPCB show cause/legal notices.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your Company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:

- a) Indian Shipbuilders Association
- b) Indo Japan Chamber of Commerce
- c) Confederation of Indian Industry (CII)
- d) Cochin Chamber of Commerce and Industry
- e) All India Management Association
- f) The Federation of Indian Chambers of Commerce and Industry (FICCI)
- g) Standing Conference of Public Enterprises (SCOPE)
- h) Society of Indian Defence Manufacturers (SIDM)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes, specify the broad areas (drop box: governance and administration, economic reforms, inclusive development policies, energy security, water, food security, sustainable business principles, others).

The above mentioned organisations act as a platform for CSL to address issues that might impact its stakeholders. CSL encourages participation in advocating policy level processes rather than lobbying on any specific issues.

Principle 8: Businesses should support inclusive growth and equitable development.

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.

As mentioned in the sections above, CSL's CSR projects aim at benefitting the community from low socio-economic strata across the state of Kerala and are identified as vulnerable. These projects are attempting for inclusive growth & equitable development of such communities.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

CSL largely collaborates with various NGOs, foundations, government agencies and other professional agencies for execution of the projects on the ground.

3. Have you done any impact assessment of your initiative?

Yes. Impact assessment is crucial to view the effect of the activity conducted. CSL conducts impact assessment as a part of the project for the majority of projects.



4. What is your Company’s direct contribution to community development projects – amount in INR and the details of the projects undertaken?

In the financial year 2020-21, the contribution to community development projects was ₹14.66 crores. Please refer to the Report on CSR Activities forming part of this Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Engagement of the community is paramount for sustaining any community development program on ground. We ensure engagement of the community at the very planning stage and thereafter induct them at the implementation level. This not only ensures acceptance of the programme on ground but also its continuity and sustainability.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

The Company’s customers are large corporate houses, corporations both national and international or Ministries of the Central Government. During the year under review the Company has not received any complaints.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)

Not applicable as it engages in shipbuilding and ship repair operations.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

No cases have been filed by any stakeholders against the Company regarding unfair trade practices during the last five years.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

Yes. All the contracted vessels are conducted with a customer satisfaction survey and feedbacks are taken from owners willing to share their experience. The surveys are conducted by an independent third party firm in order to have open & genuine feedback from the customer.

Customer satisfaction survey is conducted in two phases for the vessels contracted; one during construction phase (Phase I) and one after completion of warranty period (Phase II). Phase I is intended for an interim feedback during the ongoing construction stage, in order to identify any concerns from the owner during the construction phase. This also helps the Yard to understand the area of concerns (if any), and can initiate actions appropriately for improvements to the level of owner expectations. Phase II survey is after the delivery and the completion of warranty period of the vessel where owner would have sufficient time to understand the performance & quality of construction, which will provide an overall perspective of their satisfaction for the new building contracted & delivered.

The surveys conducted cover all phases of construction starting from the pre-contract stage. Feedbacks are requested from owners regarding approachability, accessibility, quality of construction, overall technical capabilities of the Yard & post delivery services. The independent agency submits a report in each financial year for the surveys conducted and elaborates regarding the feedbacks from various clients, specifying the areas where Shipyard is performing well & areas where improvements are suggested. This independent report provides a scope to understand the strength & weakness of the Yard from the owner perspective and is much helpful while approaching the same client / similar clients.

For and on behalf of the Board of Directors

Kochi  
June 11, 2021

Madhu S Nair  
Chairman & Managing Director  
DIN: 07376798

INDEPENDENT AUDITOR’S REPORT

To  
The Members of  
Cochin Shipyard Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Cochin Shipyard Limited (“the Company”), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), and the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Ind AS prescribed under section 133 of the Act read with the Companies (Ind AS) Rules, 2015, as amended (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities For the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

- 1. Measurement of Physical Completion of Ship Building and Ship Repair activities.

The company recognises revenue from ship building and ship repair activities based on percentage of completion method. The percentage of completion is arrived at based on estimated percentage of physical completion as assessed by the management of the company which involves exercise of significant judgements. Refer Note 2.4 (Critical Accounting Estimates & Judgements) & 2.19 (a) (Revenue Recognition) to the Standalone Financial Statements. The physical completion is ascertained as per an in-house procedure developed by the management of the company. The procedure and the assumptions therein are based on certain judgements made by the management based on inputs received from the planning, design and technical departments of the company. Further, the ascertainment of the actual physical completion of each sub-activity on reporting date also involves management estimation. Our audit approach consisted of understanding the basis and assumptions made in adopting such procedure, understanding the system for capturing data and monitoring the progress of completion of various works for internal reporting to the management, evaluating the internal controls in such system, selecting samples and performing substantive checking and analytical procedures. However, we have placed substantial reliance on the technical and activity-based assessment made by the management for the purpose of recognition of income.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, Management Discussion and Analysis, Business Responsibility Report, Report on Corporate Governance, but does not include the standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Responsibilities of Management and Those Charged With Governance 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 accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant

to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government

of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order to the extent applicable.

- Based on the verification of records of the Company and based on information and explanation given to us, we give in "Annexure B" report on the Directions and Sub-Directions issued by the Comptroller and Auditor General of India in terms of sub-section (5) of Section 143 of the Companies Act, 2013
- As required by Section 143(3) of the Act, we report that:
  - We have sought and obtained all information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - 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.
  - The standalone Balance Sheet, the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Statement of Changes in Equity and standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - In view of the exemption given vide notification no. G.S.R 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of Directors, are not applicable to the Company.
  - 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 C".
  - With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act, we offer no comments as the Company is exempted from the provisions of Section 197 vide notification no. G.S.R. 463(E) dated June 5, 2015.



- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), 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 (refer Note no 42,44,45,46)

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Elias George & Co.**  
Chartered Accountants  
Firm Regn. No. 000801S

**Chirag J Shah**  
Partner  
Membership No. 214798  
UDIN: 21214798AAAABW6356

Kochi  
11 June, 2021
- # ANNEXURE – A TO THE INDEPENDENT AUDITORS’ REPORT
- With reference to the Annexure A referred to in the Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, we report the following:
- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, there is a regular program of physical verification of fixed assets, which in our opinion is reasonable having regard to the size of the company and the nature of assets. During the year, as informed to us, no material discrepancies have been 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. In respect of immovable properties taken on lease and disclosed as right-of-use asset in the standalone financial statements, the lease agreements are in the name of the company.

(ii) As explained to us, the inventories were physically verified during the year in accordance with the inventory verification procedure adopted by the Management. In our opinion, the frequency of such physical verification needs to be increased. Based on information provided to us, the discrepancies noticed on such physical verification were not material.

(iii) The company had granted unsecured loans of Rs. 10 Crores and Rs. 5 Crores to its wholly owned subsidiaries M/s Hoogly Cochin Shipyard Limited (HCSL) and M/s Tebma Shipyards Limited (TSL) respectively.

(a) In our opinion, the terms and conditions of the grant of such loans are not prejudicial to the company’s interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated in the terms and conditions of the grant of such loans. M/s HCSL has repaid the whole amount of loan during the current year itself in advance. Repayments by M/s TSL have not fallen due during the year.

(c) No amount is overdue in respect of the loans.

(iv) In our opinion and according to the information and explanation provided to us, the company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities.

(v) According to the information and explanation given to us, the company has not accepted any deposits from public and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder are not applicable.

(vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Companies Act, 2013 and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determine whether they are accurate and complete.

(vii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of statutory dues:

(a) The company has been generally regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March, 2021 for a period of more than six months from the date they become payable.

(b) There are no dues of income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited with the appropriate authorities on account of disputes, except the following:

₹ in lakhs

Name of the Statute	Nature of Dues	Amount (Rs.)	Amount paid/ adjusted	Amount unpaid	Financial year to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1,369.11	1,369.11*	-	AY 2010-11	Commissioner of Income Tax (Appeals)
					AY 2011-12	
					AY 2014-15	
					AY 2017-18	
		700.86	700.86*	-	AY 2010-11	Income Tax Appellate Tribunal
					AY 2011-12	
Finance Act, 1994	Service Tax	4,602.12	-	4,602.12	2004-05 to 2014-15	Customs, Excise & Service Tax Appellate Tribunal, Bangalore
		363.71	15.13	348.58	2015-16	Commissioner (Appeals)
					2016-17	
Customs Act, 1962	Duty of Customs	9,555.41	6,725.48	2,829.93	2003-2004	Customs, Excise & Service Tax Appellate Tribunal, Bangalore
					2013-2014	
					2018-2019	Commissioner of Customs, Cochin
		50.77	-	50.77	1984-1990	
		14,961.22	-	14,961.22	2004-2005	(Case dismissed by Hon'ble High Court of Kerala directing department to file appeal under Section 130E of the Customs Act with the Hon'ble Supreme Court)
					2010-2015	
Employees' State Insurance Act, 1948	Employees' State Insurance	17.26	1	16.26	2010-2013	Hon'ble Insurance Court, Alappuzha

\*Adjusted against the refund due for the subsequent years.

- (viii) According to the information and explanation given to us, the Company does not have any loans or borrowings from any public financial institutions, banks or government during the year. In respect of bonds issued, the Company has not defaulted in payment of any dues.
- (ix) In our opinion and according to the information and explanation given to us, money raised by way of initial public offer have been applied by the Company during the year for the purposes for which they are raised. The Company has not raised any term loan during the year.
- (x) To the best of our knowledge and according to the information and explanations provided to us, we report that no fraud by the Company or on the Company by its officers and employees was noticed or reported during the year.
- (xi) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5, 2015, issued by the Ministry of Corporate

Affairs, provisions of Section 197 read with Schedule V of the Companies Act, 2013 regarding managerial remuneration are not applicable to the company.

- (xii) The Company is not a Nidhi company as prescribed under Section 406 of the Companies Act, 2013 and therefore the reporting under Clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and based on the information and explanation provided to us, all transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, and the details have been disclosed in the standalone Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible

debentures during the year and therefore provisions of Section 42 of the Companies Act, 2013 are not applicable to the Company.

- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) In our opinion, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Elias George & Co.**  
Chartered Accountants  
Firm Regn. No. 000801S

**Chirag J Shah**  
Partner

Kochi  
11 June, 2021

Membership No. 214798  
UDIN: 21214798AAAABW6356



# ANNEXURE – B TO THE INDEPENDENT AUDITORS’ REPORT

With reference to the Annexure B referred to in the Independent Auditor’s Report to the members of the Company on the audit of standalone financial statements for the year ended March 31, 2021, we report the following:

A. General Directions

- 1. Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.

In our opinion, the company has a system in place to process all the accounting transactions through IT system. Based on the information and explanations given to us, and based on procedures performed by us, we are of the opinion that the company has an adequate internal control system to prevent and detect processing of accounting transactions outside the IT system. As per information provided to us, there has been no such instance reported during the year.

- 2. Whether there is any restructuring of any existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?

According to the information and explanation given to us and based on our examination of the records of the company, there has not been any restructuring of any existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company.

- 3. Whether funds (grant/subsidy etc.) received/receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.

In our opinion, and based on the information and explanations given to us, the funds received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilized as per their terms and conditions.

B. Sub Directions

No Sub Directions were issued for the period under audit.

For **Elias George & Co.**  
Chartered Accountants  
Firm Regn. No. 000801S

**Chirag J Shah**  
Partner  
Membership No. 214798  
UDIN: 21214798AAAABW6356

Kochi  
11 June, 2021

# ANNEXURE – C TO THE INDEPENDENT AUDITORS’ REPORT

The Annexure referred to in our Independent Auditors’ Report to the members of Cochin Shipyard Limited on the audit of standalone financial statements for the year ended 31st March 2021.

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

Opinion

We have audited the internal financial controls over financial reporting of Cochin Shipyard Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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.

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.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls

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

For **Elias George & Co.**  
Chartered Accountants  
Firm Regn. No. 000801S

**Chirag J Shah**  
Partner  
Membership No. 214798  
UDIN: 21214798AAAABW6356

Kochi  
11 June, 2021

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF COCHIN SHIPYARD LIMITED, FOR THE YEAR ENDED 31 MARCH 2021**

The preparation of financial statements of Cochin Shipyard Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the 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 11 June 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Cochin Shipyard Limited for the year ended 31 March 2021 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors’ report under section 143(6)(b) of the Act.

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

Place: Chennai  
Date: 12.08.2021

**(DEVIKA NAYAR)**  
**Director General of Commercial Audit, Chennai**



STANDALONE BALANCE SHEET

as at 31st March, 2021

(₹ in Lakhs)			
Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	69,840.89	69,653.51
(b) Capital work-in-progress	4	106,164.35	76,820.65
(c) Intangible assets	5	5,748.61	5,965.58
(d) Financial assets			
(i) Investments	6	21,444.52	6,544.52
(ii) Loans	7	862.76	108.24
(iii) Other Financial Assets	8	4,331.07	864.50
(e) Income tax assets (net)	9	3,854.01	6,025.42
(f) Deferred tax assets (net)	10	7,880.94	4,635.94
(g) Other non-current assets	11	21,388.54	29,290.38
<b>Total Non-Current assets</b>		<b>241,515.69</b>	<b>199,908.74</b>
<b>Current assets</b>			
(a) Inventories	12	43,221.40	31,341.31
(b) Financial Assets			
(i) Trade receivables	13	35,330.43	28,823.21
(ii) Cash and cash equivalents	14	66,721.59	84,851.63
(iii) Bank balances other than (ii) above	15	147,916.77	132,740.27
(iv) Loans	16	57.20	30.97
(v) Other Financial assets	17	1,734.65	3,292.18
(c) Other current assets	18	203,456.25	159,473.94
<b>Total Current assets</b>		<b>498,438.29</b>	<b>440,553.51</b>
<b>Total Assets</b>		<b>739,953.98</b>	<b>640,462.25</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity :</b>			
(a) Equity share capital	19	13,154.04	13,154.04
(b) Other equity	20	384,602.64	360,025.46
<b>Total Equity</b>		<b>397,756.68</b>	<b>373,179.50</b>
<b>Liabilities :</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	12,300.00	12,300.00
(ii) Other financial liabilities	22	38,635.93	37,586.91
(b) Provisions	23	3,161.39	2,872.20
(c) Other non current liabilities	24	10.30	11.45
<b>Total Non-Current Liabilities</b>		<b>54,107.62</b>	<b>52,770.56</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables			
Total outstanding dues of Micro Enterprises and Small Enterprises	25	1,527.88	686.52
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		42,014.71	41,185.27
(ii) Other financial liabilities	26	23,516.08	17,266.32
(b) Other current liabilities	27	164,236.68	116,081.50
(c) Provisions	28	49,484.69	38,137.13
(d) Current tax liabilities (net)	9	7,309.64	1,155.45
<b>Total Current Liabilities</b>		<b>288,089.68</b>	<b>214,512.19</b>
<b>Total Equity and Liabilities</b>		<b>739,953.98</b>	<b>640,462.25</b>
Corporate overview and Significant Accounting Policies	1-2		
Notes to the Financial Statements	3-58		

The accompanying notes are an integral part of these financial statements

As per our report attached

For **M/s Elias George and Co.,**  
Chartered Accountants  
(Firm Registration No. 000801S)

**CHIRAG J SHAH**  
Partner  
(Membership No. 214798)

Kochi

June 11, 2021

For and on behalf of Board of Directors

**SYAMKAMAL N**  
Company Secretary

**JOSE V J**  
Director (Finance) & Chief Financial Officer  
(DIN 08444440)

Kochi

June 11, 2021

**BEJOY BHASKER**  
Director (Technical)  
(DIN 08103825)

**MADHU S NAIR**  
Chairman and Managing Director  
(DIN 07376798)

STANDALONE STATEMENT OF PROFIT & LOSS

for the year ended 31st March, 2021

(₹ in Lakhs)			
Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>I Income</b>			
Revenue from operations	29	281889.70	342249.39
Other income	30	19386.07	24750.03
<b>Total Income</b>		<b>301275.77</b>	<b>366999.42</b>
<b>II Expenses:</b>			
Cost of materials consumed	31	121981.82	179599.82
Sub contract and other direct expenses	32	33631.38	36556.98
Employee benefits expense	33	29157.79	30567.32
Finance costs	34	5046.62	4459.41
Depreciation and amortisation expense	35	5307.07	4873.12
Other expenses	36	15928.33	16008.41
Provision for anticipated losses and expenditure	37	9164.12	8591.78
<b>Total expenses</b>		<b>220217.13</b>	<b>280656.84</b>
<b>III Profit before tax</b>		<b>81058.64</b>	<b>86342.58</b>
<b>IV Tax expense:</b>			
(1) Current tax	9	23293.20	20634.83
(2) Deferred tax	9	(3245.00)	1939.00
<b>V Profit for the year</b>		<b>61010.44</b>	<b>63768.75</b>
<b>VI Other comprehensive income</b>			
<b>A) Items that will be reclassified to profit or loss</b>			
i) Effective portion of gains/losses on cash flow hedging instruments		121.08	—
ii) Income tax relating to items that will be reclassified to profit or loss		(30.48)	—
<b>B) Items that will not be reclassified to profit or loss</b>			
i) Remeasurements of defined employee benefit obligations		411.01	(797.60)
ii) Income tax relating to items that will not be reclassified to profit or loss		(103.44)	200.76
<b>Other comprehensive income for the year</b>		<b>398.17</b>	<b>(596.84)</b>
<b>VII Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period)</b>		<b>61408.61</b>	<b>63171.91</b>
<b>VIII Earnings per equity share of ₹ 10 each :</b>	38		
(1) Basic (₹)		46.38	48.48
(2) Diluted (₹)		46.38	48.48

Corporate overview and Significant Accounting Policies  
Notes to the Financial Statements

The accompanying notes are an integral part of these financial statements

As per our report attached

For **M/s Elias George and Co.,**  
Chartered Accountants  
(Firm Registration No. 000801S)

**CHIRAG J SHAH**  
Partner  
(Membership No. 214798)

Kochi

June 11, 2021

For and on behalf of Board of Directors

**SYAMKAMAL N**  
Company Secretary

**JOSE V J**  
Director (Finance) & Chief Financial Officer  
(DIN 08444440)

Kochi

June 11, 2021

**BEJOY BHASKER**  
Director (Technical)  
(DIN 08103825)

**MADHU S NAIR**  
Chairman and Managing Director  
(DIN 07376798)

# STANDALONE STATEMENT OF CASH FLOWS

for the year ended 31st March, 2021

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>A. Cash flow from operating activities</b>		
Profit before tax	81,058.64	86,342.58
Adjustments for :		
Depreciation and amortisation	5,307.07	4,873.12
Interest expense	5,046.62	4,459.41
Interest income	(10,623.21)	(16,725.17)
Rental income	(63.66)	(152.48)
Dividend income	(46.56)	(0.89)
Loss on sale/write off of property, plant and equipment	1.25	1.87
Profit on sale of investments	–	(235.30)
Income recognised on Govt. assistance	(1.14)	(1.14)
Loss/(gain) on derivative contracts (net)	(123.99)	–
Net (gain) /loss on foreign currency transactions	(404.65)	502.01
<b>Operating cash flow before working capital changes</b>	<b>80,150.37</b>	<b>79,064.01</b>
Movements in working capital :		
(Increase) / decrease in inventories	(12,066.39)	(3,214.86)
(Increase) / decrease in trade, other receivables and assets	(43,842.96)	(68,952.59)
Increase / (decrease) in trade and other payables	61,385.08	36,429.94
	<b>85,626.10</b>	<b>43,326.50</b>
Income tax paid net of refunds	(10,741.43)	(18,065.07)
<b>Net cash flows from operating activities (A)</b>	<b>74,884.67</b>	<b>25,261.43</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(5,019.95)	(3,549.74)
(Increase) / decrease in capital work In progress	(29,343.70)	(42,712.93)
(Increase) / decrease in Term deposits with maturity above three months	(15,176.50)	21,711.10
Investment in Mutual Funds	–	(66,800.00)
Redemption of Mutual Funds	–	66,800.00
Dividend received	0.89	0.89
Profit on sale of investments	–	235.30
Investment in Equity shares of HCSL Subsidiary	(2,800.00)	(507.34)
Investment in Preference shares of HCSL Subsidiary	(5,600.00)	
Investment in Equity shares of TSL Subsidiary	(6,500.00)	–
Loan to HCSL Subsidiary	(1,000.00)	
Repayment of loans by HCSL Subsidiary	1,000.00	
Loan to TSL Subsidiary	(500.00)	–
Sale or withdrawal of property, plant and equipment	2.49	0.66
Interest received	12,359.02	17,290.78
Rent received	63.66	152.48
<b>Net cash flows from investing activities (B)</b>	<b>(52,514.09)</b>	<b>(7,378.80)</b>

# STANDALONE STATEMENT OF CASH FLOWS

for the year ended 31st March, 2021

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>C. Cash flow from financing activities</b>		
Repayment of borrowings		
Borrowings/ Repayment of loans by employees	(274.98)	28.72
Net gain /loss on foreign currency transactions	555.92	(857.28)
Repayment of lease liability	(2,407.38)	(2,376.78)
Dividend paid	(36,831.31)	(19,244.36)
Dividend distribution tax paid	–	(3,955.74)
Interest paid	(1,542.87)	(4,459.52)
<b>Net cash flows from financing activities (C)</b>	<b>(40,500.62)</b>	<b>(30,864.96)</b>
<b>D. Net Increase in Cash &amp; Cash Equivalents (A)+(B)+(C)</b>	<b>(18,130.04)</b>	<b>(12,982.33)</b>
<b>Cash and cash equivalent at the beginning of the Year</b>	<b>84,851.63</b>	<b>97,833.96</b>
<b>Cash and cash equivalent at the end of the Year</b>	<b>66,721.59</b>	<b>84,851.63</b>

Cash and Cash Equivalents’ include earmarked funds of ₹ 37749.10 lakhs as on March 31, 2021

Corporate overview and Significant Accounting Policies	1-2
Notes to the Financial Statements	3-58

The accompanying notes are an integral part of these financial statements

As per our report attached	For and on behalf of Board of Directors	
For <b>M/s Elias George and Co.,</b> Chartered Accountants (Firm Registration No. 000801S)	<b>SYAMKAMAL N</b> Company Secretary	<b>BEJOY BHASKER</b> Director (Technical) (DIN 08103825)
<b>CHIRAG J SHAH</b> Partner (Membership No. 214798)	<b>JOSE V J</b> Director (Finance) & Chief Financial Officer (DIN 08444440)	<b>MADHU S NAIR</b> Chairman and Managing Director (DIN 07376798)
Kochi June 11, 2021	Kochi June 11, 2021	



STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2021

A. Equity Share Capital

	As at April 01, 2020	Changes in equity share capital during the year	As at March 31, 2021
	13,154.04	0.00	13,154.04
As at April 01, 2019	13,154.04	0.00	13,154.04

B. Other Equity

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Debt Redemption Reserve	Effective portion of Cash Flow Hedges
Balance as at April 01,2020	263.56	93,152.32	6,322.75	246,264.63	12,353.76	1,668.44	-
Profit for the year				61,010.44			61,010.44
Other comprehensive income for the year				307.57			90.60
Total comprehensive income for the year				61,318.01	-	-	90.60
Dividends (including taxes)				(36,831.31)			(36,831.31)
Transfer from retained earnings				-		-	-
Amortisation of premium		(0.12)					0.00
Balance as at March 31,2021	263.56	93,152.20	6,322.75	270,751.33	12,353.76	1,668.44	90.60

Refer Note 20 for further details

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2020

B. Other Equity (Contd..)

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Debt Redemption Reserve	Effective portion of Cash Flow Hedges
Balance as at April 01,2019	263.56	93,152.44	6,322.75	206,436.99	12,353.76	1,524.27	-
Prior period adjustments				-			-
Profit for the year				63,768.75			63,768.75
Other comprehensive income for the year				(596.84)			(596.84)
Total comprehensive income for the year				63,171.91			-
Dividends (including taxes)				(23,200.10)			(23,200.10)
Transfer from retained earnings				(144.17)		144.17	-
Amortisation of premium		(0.12)					0.00
Balance as at March 31,2020	263.56	93,152.32	6,322.75	246,264.63	12,353.76	1,668.44	-

Refer Note 20 for further details

As per our report attached

For **M/s Elias George and Co.,**  
Chartered Accountants  
(Firm Registration No. 0008015)

**CHIRAG J SHAH**  
Partner  
(Membership No. 214798)

Kochi  
June 11, 2021

For and on behalf of Board of Directors

**SYAMKAMAL N**  
Company Secretary  
**BEJOY BHASKER**  
Director (Technical)  
(DIN 08103825)

**JOSE V J**  
Director (Finance) & Chief Financial Officer  
(DIN 08444440)  
**MADHU S NAIR**  
Chairman and Managing Director  
(DIN 07376798)

Kochi  
June 11, 2021

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## 1. CORPORATE OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

### 1.1. Corporate information

Cochin Shipyard Limited (referred to as “CSL” or “the Company”) is mainly engaged in the construction of vessels and repairs and refits of all types of vessels including upgradation of ships periodical layup repairs and life extension of ships.

The Company is a public limited company incorporated and domiciled in India. The address of its corporate office is Perumanoor, Kochi, Kerala. As at March 31, 2021, the Government of India holds 72.86% of the Company’s equity share capital. The Company’s equity shares are listed for trading on NSE Limited and BSE Limited in India and tax free bonds are listed for trading on BSE Limited.

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorised for issue on June 11, 2021.

## 2. Significant Accounting Policies

### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other Accounting Principles generally accepted in India.

### 2.2 Basis of preparation of Financial Statements

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

### 2.3 Use of estimates and judgements

The preparation of the financial statements in conformity with the Ind AS requires management to make judgements,

estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### 2.4 Critical Accounting estimates and judgements:

The application of significant accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in the financial statements have been disclosed below:

#### Useful lives of property, plant and equipment

The Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. Assumptions are also made as to whether an item meets the description of asset so as to warrant its capitalisation and which component of the asset may be capitalised. Reassessment of life may result in change in depreciation expense in future periods.

#### Valuation of deferred tax assets / liabilities

The Company reviews the carrying amount of deferred tax assets / liabilities at the end of each reporting period. Significant judgements are involved in determining the elements of deferred tax items.

#### Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgements in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee’s option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset’s economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

#### Impairment of unquoted investments

The Company reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

#### Recognition and measurement of provisions

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources and on past experience and circumstance known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in provisions.

#### Provision towards Guarantee repairs

A provision is made towards guarantee repairs/claims in respect of newly built ships/small crafts delivered and repaired ships on the basis of the technical estimation done by the Company. The guarantee claims received from the ship owners are reviewed every year till settlement of the same. In case of a shortfall in the provision made earlier, additional provisions are made.

#### Contingencies and commitments

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or it cannot be measured with sufficient reliability. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

#### Recoverability of advances / receivables

The Company makes provisions for expected credit loss based on an assessment of the recoverability of trade and

other receivables. The identification of doubtful debts requires use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and expenses on account of provision for doubtful debts in the period in which such estimate has been changed. At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

#### Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm’s length transaction at the reporting date.

#### Provision for inventories

Management reviews the inventory ageing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realisable value. The purpose is to ascertain whether a provision is required to be made in the financial statements for any obsolete and slow-moving items and that adequate provision for obsolete and slow-moving inventories has been made in the financial statements.

#### Liquidated Damages

Claims for liquidated damages against the Company are recognized in the financial statements based on the management’s assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.

#### Revenue Recognition

The Company exercises significant judgement in measuring progress of performance obligations satisfied over time for recognition of revenue from contracts with customers. Provision for estimated losses if any, on the uncompleted



# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

part of the contracts are provided in the period in which such losses become probable based on the expected contract estimates at the reporting date. Claims for liquidated damages against the Company are recognized based on the management’s assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.

Recognition and measurement of defined benefit obligations

The obligation arising from 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.

2.5 Property , Plant and Equipment (PPE)

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2015 as the deemed cost under Ind AS. Hence regarded thereafter as historical cost.

Property,Plant and Equipments are stated at cost less accumulated depreciation (other than free hold land which are stated at cost) and impairment losses, if any. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management including non refundable duties and taxes net of any trade discounts and rebates. The cost of PPE also includes interest on borrowings (borrowing cost directly attributable to acquisition, construction or production of qualifying assets) upto initial recognition.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the items are material and can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of

profit and loss during the reporting period in which they are incurred.

2.6 Capital work in progress and intangible assets under development:

Capital work in progress and intangible assets under development are property, plant and equipment that are not yet ready for their intended use at the reporting date, which are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

2.7 Intangible Assets

**Design development:** Cost incurred on Design Development which are not directly chargeable on a product are capitalized as Intangible Asset and amortised on a straight-line basis over a period of five years.

**Software:** Cost of software which is not an integral part of the related hardware acquired for internal use is capitalised as intangible asset and amortised on a straight-line basis over a period of three years.

**Right to use:** Up- front fee paid for securing right to use of land and other facility is capitalized as intangible asset and amortised on a straight line basis over the period of lease for which the right has been obtained.

**Internally generated procedure:** Cost of internally generated weld procedure is capitalized as Intangible Asset and amortised on a straight-line basis over a period of three years.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.8 Leases

Indian Accounting Standard (Ind AS 116) “Leases” became effective from April 01, 2019 and the Company has adopted the same using modified retrospective transition method, where at the date of initial application, the lease liability is measured at the present value of remaining lease payments and the right-of-use assets are initially recognised at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. Accordingly, the comparatives have not been retrospectively adjusted.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

As a Lessee:

The Company’s lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a lease liability and a corresponding right-of-use (“RoU”) asset for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straightline basis or another systematic basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and RoU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis or another systematic basis over the term of the relevant lease .The difference between the amount recognised as lease rental income and actual cashflows receivable as per the lease agreement is adjusted in (“Accrued Lease Rental asset”).

2.9 Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss.

2.10 Depreciation

Depreciation on property, plant and equipment is provided on straight-line method based on useful life of the asset as prescribed in Schedule II to the Companies Act, 2013 except to the extent described below.

For the assets acquired from Cochin Port Trust for International Ship Repair Facility (ISRF),depreciation is provided on the basis of remaining useful life as assessed by technical experts. Right Of Use assets/Assets on leased premises are depreciated from the commencement date on a straight line basis over the shorter of the end of the useful life of the Right Of Use asset/ Assets on leased premises or the end of the lease term.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain/loss arising on derecognition of the asset is included in the Statement of profit and loss when the asset is derecognised.Fully depreciated assets still in use are retained in financial Statements at residual value .

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

Depreciation method, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for certain types of buildings and equipments wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act. Useful life considered for calculation of depreciation for various asset classes are as follows:

Asset Class	Useful Life
Buildings	3-60 years
Plant and equipment	5-15 years
Furniture and fixtures	8-10 years
Vehicles	8-10 years
Office equipment	3-10 years
Data Processing Equipments	3-6 years
Docks and quays	15 years
Railway sidings	15 years
Electrical installation	10 years
Drainage and water supply	15 years
Vessels	13-28 years

## 2.11 Impairment of Assets

The Company assesses the impairment of assets with reference to each cash generating unit, at each Balance Sheet date. If events or changes in circumstances based on internal and external factors indicate that the carrying value may not be recoverable in full, the loss on account and the recoverable amount, is accounted for accordingly. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

## 2.12 Non-current assets held for sale

Company classifies a non-current asset as held for sale if its carrying amount will be recovered principally through a sale transaction. This condition is regarded as met only when the asset is available for immediate sale in its present condition and its sale is highly probable.

Non-current assets including discontinued operations, classified as held for sale are measured at the lower of the carrying amounts and fair value less costs to sell and presented separately in the financial statements. Once

classified as held for sale, the assets are not subject to depreciation or amortisation.

Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item in statement of profit and loss.

## 2.13 Investment in subsidiary

The Company has accounted for its equity investments in subsidiaries at cost in its standalone financial statements in accordance with Ind AS- 27, Separate Financial Statements.

## 2.14 Inventories

- (a) Raw materials, components, stores and spares are valued at weighted average cost method or net realisable value whichever is lower. However materials and other supplies held for use in the production / services are not written down below cost if the finished products/supply of services in which they will be incorporated are expected to be sold at or above cost. Provision for obsolescence / non- usability / deterioration is determined on the basis of technical assessment made by the management. Goods in transit are valued at lower of cost and net realisable value. Stock of materials in respect of construction of defence vessels wherein the cost incurred is reimbursed by the owner are shown as reduction from the advances paid by the owner for construction of the vessel.
- (b) Loose tools in stock are valued at cost after providing for loss on revaluation estimated at 30% of book value.
- (c) Stock of scrap is valued at net realizable value after adjusting customs duty, if any, payable on the scrap.

## 2.15 Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Financial assets at Fair Value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

## Financial assets at Fair Value through statement of profit and loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

## Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## Investments

All equity investments in scope of Ind AS 109 Financial Instruments, are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

Investment in preference shares/debentures of the subsidiaries are treated as equity instruments if the same are convertible into equity shares. Investment in preference shares/debentures not meeting the aforesaid condition is classified as debt instruments at amortised cost.

Investment in a 'debt instrument' is measured at the amortised cost if both the following conditions are met: The asset is held within a business model whose objective is-

- (1) To hold assets for collecting contractual cash flows, and
- (2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the Effective Interest Rate (EIR). The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

## Trade Receivables

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as contract asset. A receivable is a right to consideration that is unconditional and only the passage of time is required before the payment of that consideration is due.

The Company assesses at each Balance Sheet date whether a financial asset or a group of financial asset is impaired. Ind AS 109 requires expected credit loss to be measured through a loss allowance.

The Company recognises lifetime expected credit losses for all trade receivables that do not constitute a financing transaction. Impairment loss allowance is based on a simplified approach as permitted by Ind AS 109. As a practical expedient, the company uses a provision matrix to determine the impairment loss on the portfolio of its trade receivables.

Full provision is made for all trade receivables considered doubtful of recovery when the debt is more than three years or if it is probable / certain that the debt is not recoverable.

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.

Impairment loss allowance (or reversal) that is required to be recognised at the reporting date is recognised as an impairment loss or gain in the Statement of Profit & Loss Account.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

### Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

### Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest rate method.

### Equity Instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recognised at the proceeds received net of direct issue cost.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### Foreign Currency Transactions

#### Functional & Presentation Currency

The financial statements are presented in Indian Rupees ("INR"), which is the functional currency and presentation currency of the Company.

#### Transactions & Balances:

Foreign exchange transactions are recorded in functional currency adopting the exchange rate prevailing on the dates of respective transactions. Monetary items denominated in foreign currencies at the year end are re-measured at the exchange rate prevailing on the balance sheet date. Non monetary foreign currency items are carried at cost. Any income or expense on account of exchange difference either on settlement or on restatement is recognised in the statement of Profit and Loss.

### Derivative instruments and hedge accounting:

The Company designates certain foreign exchange forward contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges.

The use of foreign currency derivative contracts is governed by the Company's foreign exchange risk management policy approved by the Board of Directors which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy. The company does not use derivative financial instruments for speculative purposes.

The hedge instruments are designated and documented as hedges at the inception of the contract. The effectiveness of hedge instruments to reduce the risk associated with the foreign currency exposure that is being hedged is assessed and measured at inception and on an ongoing basis at fair value.

The effective portion of change in the fair value of the designated hedging instrument is recognised in the Other Comprehensive Income and accumulated under the heading cash flow hedge reserve.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting. Any gain or loss recognised in Other Comprehensive Income and accumulated in equity till that time remains and is recognised in Statement of Profit and Loss when the forecasted transaction ultimately affects the profit or loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of Profit and Loss.

### 2.16 Contract Assets

Where the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Company presents the contract as a contract asset. A contract asset is Company's right to consideration in exchange for goods or services that the Company has transferred to a customer. Contract assets are reviewed for impairment in accordance with Ind AS 109.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

### 2.17 Contract Liabilities

Where the Company receives consideration, or the Company has a right to an amount of consideration that is unconditional (ie a receivable), before the Company transfers a good or service to the customer, the Company presents the contract as a contract liability when the payment is made or the payment is due (whichever is earlier). A contract liability is Company's obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer.

### 2.18 Provisions, Contingent Liabilities and Contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions (excluding retirement benefits and compensated leave) are not discounted to its present value and are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. These are reviewed at each reporting date adjusted to reflect the current best estimates.

Provision towards guarantee claims in respect of ships/ small crafts delivered wherever provided/ maintained is based on technical estimation. For the ships delivered, guarantee claims are covered by way of insurance policies covering the guarantee period on case to case basis, wherever required.

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, the Company treats them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, Company does not expect them to have a materially adverse impact on our financial position or profitability. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain

future events not wholly within the control of the entity. The Company does not recognize a contingent asset but discloses its existence in the financial statements where an inflow of economic benefits is probable.

### 2.19 Revenue Recognition

#### a) Revenue from Operations

Effective April 1, 2018, the Company has adopted Ind AS115 "Revenue from Contracts with Customers". In respect of contracts that were not completed on the date of initial application (April 1, 2018), the company has applied the standard retrospectively by recognizing the cumulative effect of applying the same at the effective date, as an adjustment to the Opening balance of Retained earnings and accordingly figures for earlier years have not been retrospectively adjusted.

Revenue from contracts with customers is measured based on transaction price, which is the fair value of consideration received or receivable. Revenue is recognized when the company satisfies performance obligations by transferring promised goods and services to the customer over a period of time using output method based on measurement of physical performance completed to date in respect of contracts with customers for ship building and ship repair other than Indigenous Aircraft Carrier (IAC).

In respect of contract with Indian Navy for construction of Indigenous Aircraft Carrier, which is partly 'fixed price basis' and partly 'cost plus basis', the revenue from fixed price portion is recognized as explained above. The revenue by way of mark up from cost plus part of the contract for procuring and supply of materials and design outsourcing is recognized when performance obligations as per the terms of the contract are fulfilled upon making payments to the suppliers. The cost of materials, value of design outsourcing and other expenses incurred for the vessel which are recoverable separately from Navy are charged off to the statement of Profit and Loss when materials are consumed/ activities are performed/expenses are incurred and are simultaneously grossed up with the value of work done and recognized as income.

Other Operating Revenue is recognized at the point of time when the company satisfies performance



# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

obligations by transferring promised goods and services to the customer except in the case of Ship Building Financial Assistance(SBFA) which is recognised over a period of time being output method based on measurement of physical performance completed to date in respect of contracts which are eligible under SBFA policy. Management fee is also recognised over a period of time.

In circumstances, where the Company may not be able to reasonably measure the outcome of a performance obligation, but the Company expects to recover the costs incurred in satisfying the performance obligation, the Company recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation. Where current estimates of total contract costs and revenue indicate a loss, provision is made for the entire loss, irrespective of the amount of work done.

Contract modifications are accounted when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the stand alone selling price. Where the goods or services added are not distinct, adjustment to revenue is made on a cumulative catch up basis. Where the goods or services added are distinct, and such additional goods or services are priced at standalone selling prices, the contract modification is accounted for as a separate contract; whereas if the modification is not priced at standalone selling price, the same is accounted as a termination of the existing contract and creation of a new contract.

If the consideration promised in a contract includes variable amounts like discounts, rebates, refunds, credits, price concessions, liquidated damages or other similar items, the Company estimates the net amount of consideration to which the Company is entitled in exchange for transferring the promised goods or services to a customer and accounts for the same.

**b) Other income**

**i) Government Grants**

Government grants are recognised when there is reasonable assurance that the Company will

comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses, the related costs for which the grants are intended to compensate. Where the Grant relates to an asset value, it is recognised as deferred income, and amortised over the expected useful life of the asset. Other grants are recognised in the statement of Profit & Loss concurrent to the expenses to which such grants relate/ are intended to cover.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in statement of profit & loss in the period in which they become receivable.Ship Building Financial Assistance is accounted as revenue from operations in the manner specified in para (a).

**ii) Liquidated damages and interest on advances**

No income is recognized on (a) interest on advances given and (b) liquidated damages, where the levies depend on decisions regarding force majeure condition of contract. These are accounted for on completion of contracts and / or when final decisions are taken.

In the case of contracts entered into for execution of capital works having long gestation period, where the extant commercial terms of the contract provides for provision of extending interest bearing mobilisation advance to the service provider for mobilising various resources for timely execution, mobilisation advances are paid and interest is accounted on accrual basis.

**iii) Accounting for insurance claims**

**(i) Warranty/Builder Risk claims**

In the case of guarantee defects covered under warranty insurance policies or claims under Insurance Policies taken for ship

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

building and ship repair works, the insurance claims lodged are recognized in the financial statments in the year in which the survey is completed and the probable amount of settlement intimated by the insurance Company.

**(ii) Other Insurance Policies**

In the case of other Insurance Policies like Asset Insurance, Transit Insurance, Marine Insurance, Cash Insurance etc., the claims are recognized in the the financial statments on settlement of the claims by way of receipt of the amount from the Insurance Company.

In the case of Medical insurance, claims are recognized on due basis, based on the claims submitted with the insurance company.

**iv) Others**

Dividend income is recognized when the Company's right to receive payment has been established.

**2.20 Employee benefits**

Employee benefits consist of salaries and wages, contribution to provident fund, superannuation fund, gratuity fund, towards medical assistance, which are short term in nature and contribution towards compensated absences , which is long term in nature.

**Post-employment benefit plans**

**Defined Contribution plans**

Defined contribution to Employees Pension scheme for eligible employees are made to CSL Superannuation Pension Trust for Executives and Supervisors and CSL Workmen Pension Trust and are charged as expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

The Company also makes contribution towards provident fund, in substance a defined contribution retirement benefit plan. The provident fund is administered by the Trustees of the Cochin Shipyard Limited Employees Contributory

Provident Fund Trust. The rules of the Company's provident fund administered by the Trust, require that if the Board of Trustees are unable to pay interest at the rate declared by the Employees' Provident Fund by the Government under para 60 of the Employees' Provident Fund Scheme, 1952 for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company. The deficiency, if any assessed by the Company is provided for in the accounts.

The Company also makes contribution towards Employees Medical Assistance Trusts which are charged as expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

**Defined benefit plans**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The liability or asset recognised in the balance sheet in respect of its defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated periodically by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have terms approximating the terms of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability or asset is recognised in the Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

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.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Other employee benefits

### Compensated absences

The Company has a policy on compensated absence which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absence is determined by Actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absence is recognised in the period in which the absences occur.

## 2.21 Borrowing cost

General and specific borrowing costs directly attributable to acquisition/ construction or production of qualifying assets (net of income earned on temporary deployment of funds) are capitalized as part of cost of such assets upto the date when such assets are ready for the intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 2.22 Corporate Social Responsibility

The Corporate Social responsibility (CSR) expenditure is charged to the Statement of Profit & Loss in the period in which it is incurred, except to the extent the Company decides to carry forward any amount in excess of the minimum required CSR expenditure for adjustment in future years in terms of Sec 135(5) of the Companies Act 2013 read with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

## 2.23 Prior period adjustment

Prior period adjustments due to errors, having material impact on the financial affairs of the Company, are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

## 2.24 Taxes on Income

### Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

### Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

### Deferred tax

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

## 2.25 Earnings Per Share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

## 2.26 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the Chairman & Managing Director.

The Company has identified business segments (industry practice) as reportable segments. The business segments comprise: 1) Ship Building and 2) Repair of Ships/offshore structures.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

## 2.27 Statement of cash flows

Cash Flows are reported using the Indirect Method, whereby profit/loss before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and

items of income or expenses associated with investing or financial cash flows. Cash flows from operating, investing and financial activities of the Company are segregated based on the available information.

For the purpose of statement of cash flow, Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less (other than lien marked deposits), which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts, if any. Bank overdrafts, if any, are disclosed within borrowings in current liabilities in the Balance Sheet.

## 2.28 Dividend to equity shareholders

Dividend to equity shareholders is recognised as a liability and deducted from shareholders' equity, in the period in which the dividends are approved by the equity shareholders in the general meeting. In the case of interim dividends, recognition is done in the period in which the same is recommended and approved by Board of the Company.

## 2.29 Recent pronouncements

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company and its subsidiaries will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

Note 3 : Property, Plant and Equipment

Particulars	Gross carrying amount			Depreciation		Net Carrying amount	
	As at 1st April 2020	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st Mar 2021	For the year (withdrawal)	As at 31st Mar 2021	As at 31st March 2020
<b>Owned Assets</b>							
Land (Freehold)	587.54			587.54	-	587.54	587.54
Buildings	13,805.43	2,771.08		16,576.51	533.20	2,981.38	13,595.13
Plant and equipment	18,908.02	1,148.83	0.61	20,056.24	1,845.72	8,921.93	11,134.31
Furniture and fixtures	1,237.54	125.09	2.22	1,360.41	113.99	598.19	762.22
Vehicles	599.11	13.67	0.04	612.74	55.65	312.12	300.62
Office equipment	382.04	72.73	0.66	454.11	57.27	228.93	225.18
Others							
Data Processing Equipments	1,338.03	489.13	7.88	1,819.28	246.54	1,071.38	747.90
Docks and quays	4,466.45			4,466.45	299.41	1,841.96	2,624.49
Railway sidings	1.10			1.10	-	-	1.10
Electrical installation	1,765.00	66.03		1,831.03	117.37	982.17	848.86
Drainage and water supply	6.67			6.67	-	-	6.67
Vessels	19.74			19.74	1.36	7.08	12.66
<b>Sub Total</b>	<b>43,116.67</b>	<b>4,686.56</b>	<b>11.41</b>	<b>47,791.82</b>	<b>3,270.51</b>	<b>7.67</b>	<b>29,434.37</b>
<b>Assets on leased premises</b>							
Buildings	2,105.50	87.85		2,193.35	100.60	542.05	1,651.30
Plant and equipment	518.62	136.03		654.65	35.17	109.37	545.28
Docks and quays	9.62			9.62	8.35	8.35	1.27
Electrical installation	360.77	39.49		400.26	37.58	169.64	230.62
<b>Sub Total</b>	<b>2,994.51</b>	<b>263.37</b>	<b>-</b>	<b>3,257.88</b>	<b>173.35</b>	<b>-</b>	<b>2,338.45</b>
<b>Right Of Use Assets</b>							
Right of Use - Land	39,172.92			39,172.92	1,354.62	2,709.60	36,463.32
Right of Use - Buildings	98.11	74.96		173.07	35.36	70.65	102.42
<b>Sub Total</b>	<b>39,271.03</b>	<b>74.96</b>	<b>-</b>	<b>39,345.99</b>	<b>1,389.91</b>	<b>-</b>	<b>37,880.69</b>
<b>Total</b>	<b>85,382.21</b>	<b>5,024.89</b>	<b>11.41</b>	<b>90,395.69</b>	<b>4,833.77</b>	<b>7.67</b>	<b>69,653.51</b>

Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

Note 3 : Property, Plant and Equipment (Contd..)

Particulars	Gross carrying amount			Depreciation		Net Carrying amount	
	As at 1st April 2019	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st Mar 2020	For the year (withdrawal)	As at 31st Mar 2020	As at 31st March 2019
<b>Owned Assets</b>							
Land (Freehold)	587.54	-		587.54	-	587.54	587.54
Buildings	13,459.99	345.44		13,805.43	521.85	2,448.18	11,357.25
Plant and equipment	18,115.59	793.50	1.07	18,908.02	1,485.63	0.55	7,076.60
Furniture and fixtures	1,113.31	125.88	1.65	1,237.54	114.27	0.92	485.75
Vehicles	515.38	83.73		599.11	53.30	256.49	342.62
Office equipment	234.56	148.89	1.41	382.04	39.26	172.07	209.97
Others							
Data Processing Equipments	916.58	422.24	0.79	1,338.03	161.90	0.72	830.14
Docks and quays	4,466.45	-		4,466.45	299.41	1,542.55	2,923.90
Railway sidings	1.10	-		1.10	-	-	1.10
Electrical installation	1,725.64	39.36		1,765.00	132.70	864.80	900.20
Drainage and water supply	6.67	-		6.67	-	-	6.67
Vessels	19.74	-		19.74	1.36	5.72	14.02
<b>Sub Total</b>	<b>41,162.55</b>	<b>1,959.04</b>	<b>4.92</b>	<b>43,116.67</b>	<b>2,809.68</b>	<b>3.36</b>	<b>30,286.57</b>
<b>Assets on leased premises</b>							
Buildings	848.99	1,260.35	3.84	2,105.50	110.60	2.95	441.45
Plant and equipment	316.00	202.75	0.13	518.62	23.96	0.04	74.20
Docks and quays	9.62	-		9.62	-	8.35	1.27
Electrical installation	331.57	29.20		360.77	34.78	132.06	228.71
<b>Sub Total</b>	<b>1,506.18</b>	<b>1,492.30</b>	<b>3.97</b>	<b>2,994.51</b>	<b>169.34</b>	<b>2.99</b>	<b>2,338.45</b>
<b>Right Of Use Assets</b>							
Right of Use - Land		39,172.92		39,172.92	1,354.98	1,354.98	37,817.94
Right of Use - Buildings		98.11		98.11	35.36	35.36	62.75
<b>Sub Total</b>	<b>-</b>	<b>39,271.03</b>	<b>-</b>	<b>39,271.03</b>	<b>1,390.34</b>	<b>-</b>	<b>37,880.69</b>
<b>Total</b>	<b>42,668.73</b>	<b>42,722.37</b>	<b>8.89</b>	<b>85,382.21</b>	<b>4,369.36</b>	<b>6.35</b>	<b>31,303.04</b>



# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 3 : Property, Plant and Equipment (Contd..)

Freehold Land includes the value of (a) land allotted on lease basis to (i) Bharatiya Vidya Bhavan (0.69045 hectare) (ii) M/s Indian Oil Corporation Ltd (0.620 hectare) for laying pipeline (iii) land leased to M/s Cochin Air Products (0.30 hectare) and (b) land leased to Kerala State Electricity Board (0.47 hectare).

Value of land includes value of buildings acquired along with the land for which depreciation has not been provided as the value is not separately available and most of these buildings are likely to be demolished for putting up facilities for the factory.

Assets taken over from Cochin Port Trust (CoPT) (₹ 1291.52 lakhs) have been valued and life assessed by technical experts. This life has been taken as a base for arriving at the remaining useful life for providing depreciation for these assets. These assets together with assets constructed/installed on land taken on lease from CoPT, Mumbai Port Trust (MbPT) and Kolkata Port Trust (KoPT) have been disclosed separately as assets on leased premises in the note no 3 to Property, Plant & Equipments.

The Company has created mortgage for ₹ 12300 Lakhs on the landed properties of the Company as security for the tax free bonds issued by the Company during the year 2013-14.

## Note 4 : Capital work -in -progress

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Plant and machinery, Buildings and Civil works	98,315.49	75,687.89
Capital yard items	5,371.20	1,126.50
Goods in Transit	2,477.66	6.26
<b>Total</b>	<b>106,164.35</b>	<b>76,820.65</b>

## Note 5 : Intangible assets

(₹ in lakhs)										
Particulars	Gross carrying amount			Amortisation				Net Carrying amount		
	As at 1st April 2020	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st Mar 2021	As at 1st April 2020	For the year	Adjustment/ (withdrawal)	As at 31st Mar 2021	As at 31st Mar 2021	As at 31st March 2020
Internally generated weld procedure	27.67	–	–	27.67	27.67	–	–	27.67	–	–
Computer software	1,495.14	70.02	–	1,565.16	1,366.57	76.65	–	1,443.22	121.94	128.57
Right to use - land and ship repair facility	7,000.00	–	–	7,000.00	1,162.99	210.34	–	1,373.33	5,626.67	5,837.01
	<b>8,522.81</b>	<b>70.02</b>	<b>–</b>	<b>8,592.83</b>	<b>2,557.23</b>	<b>286.99</b>	<b>–</b>	<b>2,844.22</b>	<b>5,748.61</b>	<b>5,965.58</b>

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 5 : Intangible assets (Contd..)

(₹ in lakhs)										
Particulars	Gross carrying amount			Amortisation				Net Carrying amount		
	As at 1st April 2019	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st Mar 2020	As at 1st April 2019	For the year	Adjustment/ (withdrawal)	As at 31st Mar 2020	As at 31st Mar 2020	As at 31st March 2019
Internally generated weld procedure	27.67	–	–	27.67	27.67	–	–	27.67	–	–
Computer software	1,396.74	98.40	–	1,495.14	1,283.41	83.16	–	1,366.57	128.57	113.33
Right to use - land and ship repair facility	7,000.00	–	–	7,000.00	952.65	210.34	–	1,162.99	5,837.01	6,047.35
	<b>8,424.41</b>	<b>98.40</b>	<b>–</b>	<b>8,522.81</b>	<b>2,263.73</b>	<b>293.50</b>	<b>–</b>	<b>2,557.23</b>	<b>5,965.58</b>	<b>6,160.68</b>

The Right to use of land and ship repair facility shown under Intangible Assets represents the upfront fee paid to Cochin Port Trust towards setting up of International Ship Repair Facility (ISRF) project, to be amortised over the period of lease which was further extended based on the date of obtaining of Environmental Clearance. As all environmental clearances for ISRF are obtained as on January 09, 2018, the lease period of 30 years effectively starts from this date.

## Note 6 : Investments-Non Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unquoted (Fully Paid up)</b>		
<b>Investment in equity instruments</b>		
<b>a) At Cost</b>		
Equity shares in subsidiary company		
Hooghly Cochin Shipyards Ltd - 5,00,00,000 Equity shares of face value of ₹ 10 each	4,935.34	2,135.34
Tebma Shipyards Ltd - 6,50,00,000 Equity shares of face value of ₹ 10 each	6,500.00	–
<b>b) At Fair Value Through Other Comprehensive Income</b>		
Cochin Shipyards Employees Consumer Co-operative Society Limited	2.18	2.18
2175 'B Class' shares of ₹ 100 each		
Kerala Enviro Infrastructure Limited - 70000 equity shares of ₹10 each	7.00	7.00
Cochin Waste to Energy Private Limited -100000 equity shares of ₹10 each	–	–
<b>Investment in Debt instruments</b>		
<b>a) At Amortised Cost</b>		
Investment in Cumulative Redeemable Preference Shares of M/s Hooghly Cochin Shipyards Limited (HCSL) a subsidiary of Cochin Shipyards Ltd, 5,60,00,000, 6% Cumulative Redeemable Preference Shares of ₹10 each (Redemption at any time at the option of the Company but not later than 10 years from the date of allotment.)	5,600.00	–
Investment in Non Convertible Debentures (NCD) of M/s Hooghly Cochin Shipyards Limited (HCSL) a subsidiary of Cochin Shipyards Ltd, 440000, 6.5% Unsecured Redeemable Non-convertible Debentures of ₹1000 each (Redeemable at par at the end of 60 months)	4,400.00	4,400.00
<b>Total</b>	<b>21,444.52</b>	<b>6,544.52</b>
Aggregate value of unquoted investment	21,444.52	6,544.52

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 6 : Investments-Non Current (Contd..)

Considering the indicators of the value of an investment such as investee’s assets, results etc. a decline, other than temporary, in the value of investment in Cochin Waste to Energy (P) Ltd is noticed and accordingly fair value is considered as Nil.

M/s Hooghly Cochin Shipyard Limited (HCSL) a subsidiary of Cochin Shipyard Ltd, was incorporated on October 23, 2017 as an arrangement between M/s Cochin Shipyard Ltd (CSL) and M/s Hooghly Dock & Port Engineers Limited (HDPEL) wherein CSL had invested in 16280000 equity shares of face value of ₹10 each for cash (74%) and Hooghly Dock & Port Engineers Limited had invested in 5720000 equity shares of face value of ₹ 10 each for consideration other than cash (26%). During 2019-20, the Company acquired 57,20,000 (26%) equity shares of Hooghly Cochin Shipyard Limited (HCSL) held by HDPEL, for an amount of ₹ 506.08 lakhs and HCSL has become a wholly owned (100%) subsidiary of CSL. The paid up equity share capital of HCSL is ₹ 50,00,00,000 divided into 5,00,00,000 equity shares of ₹ 10 each. During the year, the Company also invested on rights basis in 2,80,00,000 equity shares of face value of ₹ 10/- each fully paid up of M/s Hooghly Cochin Shipyard Limited (HCSL) aggregating to ₹ 28,00,00,000/.The said equity shares shall rank pari passu with the existing equity shares of the Company in all respects, including dividend. Investments in equity shares of HCSL are accounted at cost as per Ind AS 27- Separate Financial Statements.

The National Company Law Tribunal (NCLT), Chennai on March 04, 2020, approved the Resolution Plan submitted by CSL for acquisition of Tebma Shipyards Limited (TSL) which was undergoing Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016 (IBC). In compliance with the NCLT Order, Cochin Shipyard Limited (CSL) paid the bid amount for takeover of TSL on September 15, 2020 with effect from which TSL has become a wholly owned subsidiary of CSL.The paid up equity share capital of TSL is ₹ 65,00,00,000 divided into 6,50,00,000 equity shares of ₹ 10 each.and this investment in TSL is accounted at cost as per Ind AS 27- Separate Financial Statements with effect from September 30, 2020.

## Note 7: Loans - Non Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured, considered good:</b>		
<b>(a) Security deposits</b>	71.16	65.40
<b>(b) Loans to related parties</b>		
Tebma Shipyards Ltd - Subsidiary Company	500.00	0.00
<b>(c) Other Loans</b>		
Employee advances		
Loans to related parties	0.00	0.00
Other employees	291.60	42.84
<b>Total</b>	<b>862.76</b>	<b>108.24</b>

No significant increase in credit risk or credit impairment

The Company infused ₹ 500 lakhs as unsecured loan to Tebma Shipyards Ltd , the Subsidiary company for meeting expenses during its operational phase, carrying an interest rate of 5.5% p.a. The principal amount is to be repaid at the end of 5 years from the date of disbursement i.e; on 17th September 2025. Interest repayments to be made on yearly basis from the date of disbursal.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 8: Other Financial Assets - Non Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Ship Building Financial Assistance Scheme Subsidy	4,255.65	835.57
Accrued Lease Rental Asset	29.75	28.93
Accrued dividend income from investments in preference shares	45.67	–
<b>Total</b>	<b>4,331.07</b>	<b>864.50</b>

Govt. of India approved a Financial Assistance Policy for Indian Shipyards on 9th December 2015 for grant of financial assistance to Indian Shipyards for shipbuilding contracts signed between April 1, 2016 to March 31, 2026. Recognition of revenue for this Assistance is based on measurement of physical performance of vessels under subsidy, completed to date.

## Note 9: Income tax assets / liability (net)

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Non current tax assets</b>		
Income Tax Assets net of provisions	3,854.01	6,025.42
<b>Current tax assets / (liabilities)</b>		
Advance income tax net of provisions	(7,309.64)	(1,155.45)

## Income tax recognised in the Statement of profit and loss

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Current tax:</b>		
Current income tax charge	24,372.08	23,895.75
Adjustment in respect of prior years	(1,078.88)	(3,260.92)
<b>Total (A)</b>	<b>23,293.20</b>	<b>20,634.83</b>
<b>Deferred tax:</b>		
In respect of current year	(3,245.00)	1,939.00
<b>Total (B)</b>	<b>(3,245.00)</b>	<b>1,939.00</b>
Income tax expense recognised in the Statement of Profit and Loss (A+B)	20,048.20	22,573.83

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

The income tax expense for the year can be reconciled to the accounting profit as follows:-

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit before tax	81,058.64	86,342.58
Income tax expense calculated at respective applicable rates	20,400.85	21,730.70
Effect of expenses that are not deductible in determining taxable profit	7,469.50	5,916.60
Effect of expenses that are allowable in determining taxable profit	(3,909.11)	(4,131.73)
Effect of expenses incurred on Corporate Social Responsibility not deductible in determining taxable profit	374.25	319.87
Others	36.59	60.31
	24,372.08	23,895.75
Adjustments recognised in the current year in relation to the current tax of prior years	(1,078.88)	(3,260.92)
Adjustments for changes in estimates of deferred tax assets	(3,245.00)	1,939.00
<b>Income tax expense recognised in the Statement of Profit and Loss</b>	<b>20,048.20</b>	<b>22,573.83</b>

Note 10: Deferred tax assets (net)

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred tax liabilities	(2,682.55)	(2,787.39)
Deferred tax assets	10,563.49	7,423.33
<b>Total</b>	<b>7,880.94</b>	<b>4,635.94</b>

Deferred tax liabilities/(assets) in relation to 2020-21

(₹ in Lakhs)				
Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in Statement of Equity	Closing Balance
Provisions	(6,425.47)	(2,578.21)	–	(9,003.68)
Property, plant and equipment	2,813.14	(115.60)	–	2,697.54
Intangible assets	(28.88)	11.02	–	(17.86)
Others	(994.73)	(562.21)	–	(1,556.94)
<b>Total</b>	<b>(4,635.94)</b>	<b>(3,245.00)</b>	<b>–</b>	<b>(7,880.94)</b>

Deferred tax liabilities/(assets) in relation to 2019-20

(₹ in Lakhs)				
Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in Statement of Equity	Closing Balance
Provisions	(9,508.69)	3,083.22	0.00	(6,425.47)
Property, plant and equipment	3,958.25	(1,145.11)	0.00	2,813.14
Intangible assets	(56.94)	28.06	0.00	(28.88)
Others	(967.56)	(27.17)	–	(994.73)
<b>Total</b>	<b>(6,574.94)</b>	<b>1,939.00</b>	<b>–</b>	<b>(4,635.94)</b>

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

Note 11: Other non-current assets

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured, considered good</b>		
Capital advances	20,887.66	28,817.72
Advances other than capital advances:		
Security deposits	239.66	211.44
Deposits with Customs department	261.22	261.22
<b>Total</b>	<b>21,388.54</b>	<b>29,290.38</b>

Deposit with Customs Department of ₹ 261.22 lakhs pertains to a refund appeal lying before Commissioner (Appeals) to cover a liability in respect of customs duty which is also shown as Payable to Chennai Port Trust under Note No. 22- Other Financial Liabilities- Non Current

Note 12 : Inventories

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw Materials and components*	40,614.93	28,145.83
Less : Provision for obsolescence, non-usability, deterioration and reduction in value of inventory	(353.87)	(391.39)
Goods-in transit*	994.01	1,964.10
	41,255.07	29,718.54
Stores & Spares*	714.45	780.18
Less : Provision for obsolescence, non-usability, deterioration and reduction in value of inventory	(11.61)	(17.06)
Goods-in transit*	393.16	37.33
	1,096.00	800.45
Loose Tools*	658.82	680.55
Scrap*	211.51	141.77
<b>Total</b>	<b>43,221.40</b>	<b>31,341.31</b>

\* Valuation of inventories is done in accordance with Accounting Policy no. 2.14 given in Note no.2

(i) Inventory does not include stock of raw materials and bought out components procured under “Cost Plus” part of the IAC contract amounting to ₹ 14757.40 lakhs (previous year ₹ 32838.80 lakhs) held on behalf of Indian Navy lying with the Company and is adjusted against Advances from Indian Navy for Indigenous Aircraft Carrier.

(ii) Maintenance spares included in the inventory represent spares of general nature and are not related to a particular asset



# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 13 : Trade Receivables-Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured</b>		
<b>Considered good:</b>		
Trade Receivables considered good - Unsecured	35,330.43	28,823.21
Trade Receivables which have significant increase in Credit Risk	10,215.58	13,588.08
Less: Allowance for Expected credit loss	(10,215.58)	(13,588.08)
Trade Receivables - Credit impaired	–	–
<b>Total</b>	<b>35,330.43</b>	<b>28,823.21</b>

Trade receivables are non-interest bearing and receivable in normal operating cycle.

## Movement in the expected credit loss allowance

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Opening balance</b>	13,588.08	13,123.16
Add: Provision made/transfer during the year	672.78	4,149.68
Less: Amount collected/reversal of provision	4,045.28	3,684.76
<b>Closing Balance</b>	<b>10,215.58</b>	<b>13,588.08</b>

## Note 14 : Cash and Cash equivalents

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance with Banks		
In current account	10,660.42	6,061.15
In current account on behalf of Indian Navy	37,749.10	3,641.02
In current account out of IPO Proceeds	–	5.04
Term deposits with original maturity of less than three months	18,312.07	22,088.26
Term deposits with original maturity of less than three months from IPO Proceeds	–	8,485.71
Term deposits with original maturity of less than three months earmarked for objects of IPO	–	44,570.45
<b>Total</b>	<b>66,721.59</b>	<b>84,851.63</b>

Funds received from Indian Navy for the construction of Indigenous Aircraft Carrier are held in a separate account and is separately disclosed.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 15 : Bank balances other than cash and cash equivalents

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Lien Marked Term deposits with original maturity of less than three months*	62,262.58	18,993.08
Term Deposits with banks with original maturity more than 3 months and less than 12 months**	687.34	57,080.19
Term Deposits with banks with original maturity more than 3 months and less than 12 months out of IPO Proceeds		5,050.00
Term Deposits with banks with original maturity more than 3 months and less than 12 months earmarked for objects of IPO	84,929.09	51,597.00
Earmarked balances (Unpaid Dividend account)	37.76	20.00
<b>Total</b>	<b>147,916.77</b>	<b>132,740.27</b>

\*Deposits with banks with maturity less than three months represents lien marked deposits in favour of Union Bank of India and State Bank of India for maintaining cash margin towards the Non-Fund based credit facilities granted to the Company.

\*\*Deposits with banks with maturity upto 12 months, include ₹93.01 lakhs ( previous year ₹ 87.34 lakhs) lien marked in favour of The Registrar of High Court of Kerala.

## Note 16 : Loans - Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured, considered good</b>		
Employee advances		
Loans to related parties	–	–
Other employees	57.20	30.97
<b>Total</b>	<b>57.20</b>	<b>30.97</b>

No significant increase in credit risk or credit impairment

## Note 17 : Other Financial Assets - Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest accrued on fixed deposits	1,371.77	3,122.61
Interest accrued from Others	167.17	153.58
Interest accrued on employee advances		
Related parties	–	–
Other employees	17.43	15.99
Foreign Exchange Derivatives Assets	178.28	–
<b>Total</b>	<b>1,734.65</b>	<b>3,292.18</b>

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 18 : Other Current Assets

(₹ in Lakhs)			
Particulars	As at 31st March, 2021	As at 31st March, 2020	
<b>Unsecured advances</b>			
<b>Advances other than capital advances</b>			
Advances to related party	0.39	0.84	
Other advances	21,067.43	11,525.24	
Advances considered doubtful	0.07	0.07	
	<b>21,067.89</b>	<b>11,526.15</b>	
Less: Provision for doubtful advances	0.07	0.07	
	<b>21,067.82</b>	<b>11,526.08</b>	
<b>Others</b>			
Contract Assets for IAC works	49,677.10	60,570.53	
Contract Assets for other works	45,461.76	30,980.80	
Balance with Sales Tax department and CBEC	290.66	474.80	
Miscellaneous deposits	17.72	17.26	
Prepaid expenditure	323.88	463.98	
Input Tax Credit on GST	84,861.03	54,194.03	
Miscellaneous current assets	1,756.28	1,246.47	
<b>Total</b>	<b>203,456.25</b>	<b>159,473.94</b>	

## Note 19 : Equity Share Capital

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number	₹ in lakhs	Number	₹ in lakhs
<b>Authorised</b>				
Equity shares of ₹ 10/- each	250000000	25,000.00	250000000	25,000.00
<b>Issued, Subscribed and Fully paid up</b>				
Equity shares of ₹ 10 each fully paid up	131540390	13,154.04	131540390	13,154.04
<b>Total</b>	<b>131540390</b>	<b>13,154.04</b>	<b>131540390</b>	<b>13,154.04</b>

### 19.1 Reconciliation of number of shares and amounts outstanding

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number	₹ in lakhs	Number	₹ in lakhs
Equity Shares outstanding at the beginning of the year	131540390	13,154.04	131540390	13,154.04
Add : shares issued during the year	0	0.00	0	0.00
Less : Shares bought back during the year	0	0.00		
<b>Equity Shares outstanding at the end of the year</b>	<b>131540390</b>	<b>13154.04</b>	<b>131540390</b>	<b>13,154.04</b>

Terms & Rights attached to Equity shares: The Company has only one class of equity shares having a face value of ₹10 per share which is fully paid up. Equity shareholders are eligible for one vote per share held, and are entitled to dividends as and when declared by the Company. Interim dividend is paid as and when declared by the Board. Final dividend proposed by the Board of Directors is subject to approval/regularisation by the share holders in the Annual General meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## 19.2Details of shareholders holding more than 5% shares in the company

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of Shares held	% of holding	Number of Shares held	% of holding
The President of India	95843464	72.86	95843464	72.86
Nippon Life India Ltd (Formerly Reliance Capital Trustee Co. Ltd).	–	–	10795352	8.21

During 2019-20, Govt of India had transferred 3090978 equity shares (aggregating to 2.35% of paid up capital) on Feb 3,2020 to the Asset Management Company , Nippon Life India Ltd formerly known as Reliance Capital Trustee Company Ltd through the Department of Investment and Public Asset Mangement (DIPAM) in connection with the issue of CPSE ETF FFO - 6 and in accordance with the SEBI Regulations ,1996 and other applicable laws,rules and regulations as framed from time to time

## Note 20 : Other Equity

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital Reserves	263.56	263.56
Capital Redemption Reserve	12,353.76	12,353.76
Securities Premium	93,152.20	93,152.32
Debenture Redemption Reserve	1,668.44	1,668.44
General Reserve	6,322.75	6,322.75
Cash flow Hedge Reserve	90.60	–
Retained Earnings	270,751.33	246,264.63
<b>Total</b>	<b>384,602.64</b>	<b>360,025.46</b>

### Movement of each item in Other Equity is detailed in Statement of Changes in Equity

**Capital Reserve:** Capital reserve includes ₹ 263.56 lakhs being restoration charges received from Ms Indian Oil Corporation Ltd for laying pipe line through the Company's land.

**Capital Redemption Reserve:** Capital Redemption Reserve of ₹ 12353.76 lakhs includes ₹ 11914.20 lakhs being reserves created on redemption of preference shares and ₹ 439.56 lakhs being a sum equal to the nominal value of the shares bought back, which will be utilised for the purpose defined under the Companies Act 2013.

**Securities Premium:** Premium on tax free bonds is amortised on straight line basis over the period of bonds. The company had completed the Initial Public Offer (IPO) during 2017-18 and had allotted 22656000 equity shares of ₹ 10 each at premium (₹ 93929.76 lakhs). Expenses incurred net of deferred tax adjustment towards such allotment of shares amounting ₹ 777.93 lakhs has been debited in Securities Premium in accordance with the requirements of Indian Accounting Standard (Ind AS) 32- Financial Instruments.

**Debenture Redemption Reserve:** The Company was hitherto creating Debenture Redemption Reserve at 25% of the value of bonds issued by the company over the maturity period of such debentures in accordance with Section 71(4) of the Companies Act, 2013 read with Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014 and as per SEBI (Issue and Listing of Debt Securities) Regulations, 2008. As per the amendment made to the Companies (Share Capital and Debentures) Rules, 2014 notified vide Notification No. G.S.R. 574(E) by the Ministry of Corporate Affairs, the company is not required to create Debenture Redemption Reserves in respect of the bonds issued by it. However, the Debenture Redemption Reserve already created up to 30.09.2019, ₹ 1668.44 Lakhs, shall be retained in the books till the time of redemption of the bonds.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

**Cash flow Hedge Reserve:** Cash flow hedge reserve represents the effective portion of change in the fair value of designated hedging instruments recognised in the Other Comprehensive Income. (Refer Note No. 41)

**Interim dividend :** During the year, the Company paid interim dividends of ₹ 9 per equity share of face value of ₹10 and ₹ 4 per equity share of face value of ₹ 10, as recommended at the board meetings held on 04 Jan 2021 and 12 Feb 2021 respectively.

**Proposed dividend :**The Board of Directors of the Company have recommended a final dividend of ₹ 2.50 per equity share of face value of ₹ 10 for the financial year ended March 31, 2021 at the Board meeting held on June 11, 2021.

## Note 21: Borrowings

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Bonds - (Secured)		
<b>At amortised cost</b>		
Tax Free Redeemable Non Convertible Bonds -Series 2013-14	12,300.00	12,300.00
<b>Total</b>	<b>12,300.00</b>	<b>12,300.00</b>

### Tax Free Infrastructure Bond Series 2013-14

- a) **Tranche 1:** 1000 bonds of face value of ₹10 lakhs totalling ₹10000 lakhs with interest rate of 8.51% payable annually , redeemable at par, due for redemption on 02nd December 2023
- b) **Tranche 2:** 230 bonds of face value of ₹10 lakhs totalling ₹ 2300 lakhs with interest rate of 8.72% payable annually, redeemable at par, due for redemption on 28th March 2029 .

These bonds are secured against the landed properties of the Company admeasuring 197.12 ares (487.00 cents) made up of 34.30 ares in Sy No. 713/11, 23.57 ares in Sy No. 713/12, 59.12 ares in Sy No. 713/13, 50.18 ares in Sy No. 714/06, 10.12 ares in Sy No. 714/2, 8.90 ares in Sy No. 714/4 and 10.93 ares in Sy No. 714/5 of land all are lying contiguously in Elamkulam village, Kanayannur taluk, Ernakulam Dist, Kerala.

**Utilisation :** Out of the issue proceeds of ₹12300 lakhs received, the Company has fully utilised/adjusted funds towards various expenditure incurred on International Ship Repair Facility (ISRF) project.

Difference between carrying amounts and fair values of financial liabilities of borrowings is not significant in each of the year presented.

## Note 22: Other Financial liabilities - Non Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Payable to Chennai Port Trust	261.22	261.22
Lease Liabilities under Ind AS 116	38,374.71	37,325.69
<b>Total</b>	<b>38,635.93</b>	<b>37,586.91</b>

Liability of ₹ 261.22 lakhs to Chennai Port Trust in respect of customs duty is covered by a refund appeal lying before Commissioner (Appeals) which is also shown as deposits with Customs department under Note No. 11

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 23: Provisions - Non Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits - Compensated absences (Refer Note No 33)	3,161.39	2,872.20
<b>Total</b>	<b>3,161.39</b>	<b>2,872.20</b>

## Note 24: Other Non Current Liabilities

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred Income arising from Government Assistance	10.30	11.45
<b>Total</b>	<b>10.30</b>	<b>11.45</b>

## Note 25 : Trade Payables

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Trade payables (Unsecured)</b>		
Outstanding dues of Micro enterprises and Small enterprises	1,527.88	686.52
Outstanding dues of creditors other than Micro enterprises and Small enterprises	42,014.71	41,185.27
<b>Total</b>	<b>43,542.59</b>	<b>41,871.79</b>

To the extent, the Company has received intimation from the vendors regarding their status under the Micro,Small and Medium Enterprises Development Act, 2006, the details of trade payables are provided as under:

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Amount remaining unpaid to supplier at the end of each accounting year;		
Principal	1,527.88	686.52
Interest on above Principal	—	—
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act,2006 ( 27 of 2006), along with the amount of the payment made to supplier beyond the appointed day during each accounting year;		
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act,2006;	—	—
The amount of interest accrued and remaining unpaid at the end of each accounting year	—	—
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act,2006;	—	—



# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 26 : Other Financial Liabilities - Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest accrued but not due	281.98	281.95
Unpaid Dividend	37.76	20.00
Lease Liabilities	2,556.23	2,433.83
Foreign Exchange Derivatives Liabilities	57.21	
Others		
Security and other deposits	9,349.34	3,313.51
Others Payables	11,233.56	11,217.03
<b>Total</b>	<b>23,516.08</b>	<b>17,266.32</b>

## Note 27 : Other Current Liabilities

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Contract Liability for other works	160,155.13	113,330.88
Advances for other ship building contracts	114.21	114.21
Advances for ship repair and others	644.24	586.08
Income received in advance	26.46	25.33
Statutory dues	3,295.50	2,023.86
Deferred Income arising from Government Assistance	1.14	1.14
<b>Total</b>	<b>164,236.68</b>	<b>116,081.50</b>

Refer Note No 39 on Ind AS 115 “Revenue from Contract with Customers”

Cost of infrastructure facilities which has been met out of funds from Navy and adjusted by Indian Navy, till date.

(₹ in Lakhs)		
Details	As at 31st March, 2021	As at 31st March, 2020
Buildings and other civil works	13,763.77	11,507.56
Data processing equipment	1,338.51	1,324.01
Furniture and Office equipments	386.75	383.62
Plant and machinery	16,885.70	16,842.12
<b>Total</b>	<b>32,374.73</b>	<b>30,057.31</b>

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 28 : Provisions - Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Provision for Employee benefits</b>		
Gratuity	272.09	1,048.51
Compensated absences (Refer Note No 33)	515.45	533.22
Others	–	–
	<b>787.54</b>	<b>1,581.73</b>
<b>Other Provisions</b>		
Provision for Taxes and duties	2,662.17	209.12
Provision for shipbuilding loss	11,658.00	5,287.00
Provision for Expenditure / contingencies	34,376.98	31,059.28
	<b>48,697.15</b>	<b>36,555.40</b>
<b>Total</b>	<b>49,484.69</b>	<b>38,137.13</b>

## 28.1 Details of movement of provisions

(₹ in Lakhs)					
Particulars	As at 01.04.2020	Provision made during the period	Amounts used during the period	Unused amounts reversed during the period	As at 31.03.2021
Provision for employee benefits- Gratuity	1,048.51	272.09	(1,048.51)	-	272.09
Compensated absences	533.22	-	(17.77)	-	515.45
Provision for taxes and duties	209.12	2,560.12	(107.07)	-	2,662.17
Provision for shipbuilding loss	5,287.00	6,371.26	(0.26)	-	11,658.00
Provision for expenditure / contingencies	31,059.28	30,884.93	(25,127.66)	(2,439.57)	34,376.98

(₹ in Lakhs)					
Particulars	As at 01.04.2019	Provision made during the period	Amounts used during the period	Unused amounts reversed during the period	As at 31.03.2020
Provision for employee benefits- Gratuity	607.90	440.61	-	-	1,048.51
Compensated absences	464.29	68.93	-	-	533.22
Others	2,997.00	-	(2,997.00)	-	-
Provision for taxes and duties	211.61	0.17	(2.66)	-	209.12
Provision for shipbuilding loss	205.00	5,287.00	-	(205.00)	5,287.00
Provision for expenditure / contingencies	32,446.60	29,783.06	(26,117.27)	(5,053.11)	31,059.28

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 29 : Revenue from operations

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Sale of products</b>		
Ship building:		
Indigenous Aircraft Carrier (IAC)	200,925.37	237,746.87
Vessels other than IAC	35,831.94	46,206.78
	<b>236,757.31</b>	<b>283,953.65</b>
<b>Sale of services</b>		
Ship repairs	40,850.24	56,856.75
Engineering works	5.50	–
	<b>40,855.74</b>	<b>56,856.75</b>
<b>Other operating revenue</b>		
Sale of stock items	–	–
Ship Building Financial Assistance	3,420.09	835.57
Sale of scrap	544.23	603.42
Management fee	312.33	–
	<b>4,276.65</b>	<b>1,438.99</b>
<b>Total</b>	<b>281,889.70</b>	<b>342,249.39</b>

Refer Note No 39 on Ind AS 115 “Revenue from Contract with Customers”

The Company has considered the lock down period due to COVID 19 & GoI circular dated May 13, 2020, which ever is applicable to the projects and Kerala Flood natural calamity 2018 as Force Majeure period for computation of Liquidated Damages while calculating Revenue from operations.

Govt. of India approved a Financial Assistance Policy for Indian Shipyards on 9th December 2015 for grant of financial assistance to Indian Shipyards for shipbuilding contracts signed between April 1, 2016 to March 31, 2026. Recognition of revenue for this Assistance is based on measurement of physical performance of vessels under subsidy, completed to date.

Cochin Shipyard Ltd (CSL) has entered into an Agreement with the Andaman and Nicobar Administration to commence its operations at Marine Dockyard, at Port Blair, a facility that is currently being operated directly by the A&N Administration. Management fee on pro rata basis is accounted based on this agreement. Under the ambit of this Agreement signed on 28 Nov 2019, CSL shall assist the Administration to set up a Ship repair ecosystem at A&N islands. CSL shall also associate in Augmentation and Modernisation of the facility and also focus efforts towards Skill Development in the Islands in consultation with the Administration and Technical Institutions located in the Islands.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 30 : Other Income

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Training facilities	106.27	304.29
Income from sale of scrap and stores	85.90	246.42
Income from laboratory services	12.94	33.77
Rent received	259.19	303.34
Hire charges received	1.10	5.90
Interest on bank deposits	8,718.43	14,827.83
Interest from others	1,904.78	1,897.34
Dividend income from Preference shares	45.67	–
Dividend income from equity investments/ Mutual Funds	0.89	0.89
Profit on sale of Mutual Funds	–	235.30
Net gain on foreign currency transactions	404.65	–
Net gain on derivative contracts	123.99	
Provision no longer required	4,365.45	5,159.25
Miscellaneous income	3,356.81	1,735.70
<b>Total</b>	<b>19,386.07</b>	<b>24,750.03</b>

Miscellaneous income includes ₹ 1.14 lakhs being deferred government assistance in the form of subsidy relating to installation of Solar Power plant inside the yard. The same has been accounted as per the requirements of Ind AS 20 - Accounting for Government Grants and Disclosure of Government Assistance.

## Note 31 : Cost of Materials Consumed

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Raw Materials</b>		
Steel	3,965.41	5,760.00
Pipe	966.05	798.84
Paint	1,312.48	1,495.32
Bought out components	115,737.88	171,545.66
<b>Total</b>	<b>121,981.82</b>	<b>179,599.82</b>

## Note 32 : Sub Contract and Other Direct Expenses

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Sub contract and off loaded jobs	26,544.41	28,818.23
Hull insurance	849.62	530.97
Other direct expenses	6,237.35	7,207.78
<b>Total</b>	<b>33,631.38</b>	<b>36,556.98</b>

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 33 : Employee Benefits Expense

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries, wages, bonus/exgratia and allowances	25,416.91	26,145.73
Contribution to Provident Fund and Family Pension Fund	1,719.52	2,020.40
Gratuity	345.54	305.67
Staff welfare expenses	1,675.82	2,095.52
<b>Total</b>	<b>29,157.79</b>	<b>30,567.32</b>

Contribution to Provident Fund and Family Pension Fund includes provident fund inspection and administration charges ₹ 19.23 lakhs (previous year ₹20.52 lakhs)

Salaries, Wages, bonus/exgratia and allowances includes provision for encashment of half pay compensated absences for workmen amounting to ₹ 72.62 lakhs (previous year ₹ 512.42 lakhs)

Employee benefit expenses includes ₹ 6.15 Lakhs (previous year ₹ 33.03 Lakhs) being secondment to subsidiary (Hooghly Cochin Shipyard Ltd)

Employee benefit expenses includes ₹ 13.05 Lakhs (previous year Nil) being secondment to subsidiary (Tebma Shipyards Ltd)

The employee benefits accruing to the employees on deputation from Cochin Port Trust and Mumbai Port Trust are being accounted based on demands received from Cochin Port Trust & Mumbai Port Trust as per tripartite agreement between the Company, Cochin Port Trust & Mumbai Port Trust and the recognised Trade unions of the Port and not based on actuarial valuation except for gratuity which is actuarially valued.

### Other Benefit Plan - Compensated absences

The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Discount Rate (p.a)	6.97%	6.66%
Rate of increase in compensation levels	3.00%	3.00%
Attrition Rate- Half Pay Leave	0.70%	0.70%
Attrition Rate- Earned Leave	0.70%	0.70%

Particulars	As at 31st March, 2021	As at 31st March, 2020
Average Duration of Defined Benefit Obligation (In years)	8.23	7.94

### Amount recognised in the Statement of Profit and Loss in respect of defined benefit plans are as follows:-

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Service Cost:</b>		
Current Service Cost	244.95	213.89
Net Interest expense	205.06	196.63
Acturial (Gain)/Loss recognised during the period	474.16	767.32
<b>Expenses recognised in the statement of profit and loss</b>	<b>924.17</b>	<b>1177.84</b>

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Present Value of Defined Benefit Obligation at end of the year	3676.83	3405.42
Fair Value of Plan Assets at the end of the year	–	–
<b>Net Liabilities /(Assets) recognized in the Balance Sheet</b>	<b>3,676.83</b>	<b>3,405.42</b>

(₹ in Lakhs)		
Type of Employee Benefit	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Current Component of PVO	515.44	533.22
Non-Current Component of PVO	3161.39	2872.20
<b>TOTAL PVO</b>	<b>3676.83</b>	<b>3405.42</b>

### Movements in present value of the defined benefit obligation are as follows:-

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Defined Benefit Obligation at beginning of the year	3405.42	2893.00
Current & Past Service Cost	244.95	213.89
Current Interest Cost	205.06	196.63
Actuarial (Gain)/ Loss	474.16	767.32
Benefits paid	(652.76)	(665.42)
<b>Defined Benefit Obligation at end of the year</b>	<b>3,676.83</b>	<b>3,405.42</b>

### Movements in the fair value of the plan assets are as follows:

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Fair Value of Plan Assets at the beginning of the year	–	–
Expected Return on Plan Assets	–	–
Actuarial (Gain)/ Loss	–	–
Contributions from the employer	652.76	665.42
Benefits paid	(652.76)	(665.42)
<b>Fair Value of the Assets at the end of the year</b>	<b>–</b>	<b>–</b>



# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Expected Contributions in Following Years [mid-year cash flows]

	(₹ in Lakhs)	
Year	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Year 1	87.43	484.41
Year 2	401.76	83.24
Year 3	89.56	203.95
Year 4	74.69	86.45
Year 5	126.07	74.63
Next 5 Years	438.26	472.06

“NA “ denoted “ Not Available”

## Expected Benefit Payments in Following Years [mid-year cash flows]

	(₹ in Lakhs)	
Year	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Year 1	87.43	484.41
Year 2	401.76	83.24
Year 3	89.56	203.95
Year 4	74.69	86.45
Year 5	126.07	74.63
Next 5 Years	438.26	472.06

	(₹ in Lakhs)	
Sensitivity Analysis - Half Pay Leave	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A. Discount Rate + 50 BP	7.47%	7.16%
Defined Benefit Obligation [PVO]	2,988.16	355.85
Current Service Cost	128.15	104.81
B. Discount Rate - 50 BP	6.47%	6.16%
Defined Benefit Obligation [PVO]	3,225.63	389.41
Current Service Cost	140.20	113.84
C. Salary Escalation Rate + 50 BP	3.50%	3.50%
Defined Benefit Obligation [PVO]	3,229.92	389.98
Current Service Cost	140.42	113.99
D. Salary Escalation Rate - 50 BP	2.50%	2.50%
Defined Benefit Obligation [PVO]	2,983.37	355.23
Current Service Cost	127.91	104.64

BP denotes “Basis Points”

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

	(₹ in Lakhs)	
Sensitivity Analysis - Earned Leave	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A. Discount Rate + 50 BP	7.47%	7.16%
Defined Benefit Obligation [PVO]	2,988.16	2,927.06
Current Service Cost	128.15	130.04
B. Discount Rate - 50 BP	6.47%	6.16%
Defined Benefit Obligation [PVO]	3,225.63	3,148.26
Current Service Cost	140.20	142.08
C. Salary Escalation Rate + 50 BP	3.50%	3.50%
Defined Benefit Obligation [PVO]	3,229.92	3,151.90
Current Service Cost	140.42	142.28
D. Salary Escalation Rate - 50 BP	2.50%	2.50%
Defined Benefit Obligation [PVO]	2,983.37	2,922.90
Current Service Cost	127.91	129.82

BP denotes “Basis Points”

## Defined Benefit Plan-Gratuity

The principal assumptions used for the purpose of actuarial valuation were as follows (Head office):	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Discount Rate (p.a)	6.97%	6.66%
Rate of increase in compensation levels	3.00%	3.00%
Attrition Rate	0.70%	0.70%
Expected Rate of Return on Plan Asset	6.97%	6.66%

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Average Duration of Defined Benefit Obligations (In years)	8.50	7.21

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

**Amount recognised in the Statement of Profit and Loss/Other comprehensive income in respect of defined benefit plans are as follows:-**

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Service Cost:</b>		
Current Service Cost	252.11	223.48
Past Service Cost	–	–
Net Interest expense	34.92	23.34
<b>Components of defined benefit costs recognised in statement of profit and loss</b>	<b>287.02</b>	<b>246.82</b>
<b>Remeasurement of the net defined benefit liability:</b>		
Actuarial (Gain)/Loss on Plan Obligations	(76.82)	636.50
Difference between Actual Return and Interest income on Plan assets (gain)/loss	(308.94)	165.18
<b>Components of defined benefit costs recognised in Other Comprehensive Income</b>	<b>(385.76)</b>	<b>801.68</b>

**The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-**

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Present Value of Defined Benefit Obligation at end of the year	4,664.16	5,240.37
Less: Fair Value of Plan Assets at the end of the year	4,762.90	4,191.87
Net Liabilities /(Assets) recognized in the Balance Sheet	(98.74)	1,048.50

**Movements in present value of the defined benefit obligation are as follows:-**

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Defined Benefit Obligation at beginning of the year	5,240.37	5,078.89
Current Service Cost	252.11	223.48
Current Interest Cost	313.54	349.80
Past Service Cost	–	–
Actuarial (Gain)/ Loss	(76.82)	636.50
Benefits paid	(1,065.04)	(1,048.30)
<b>Defined Benefit Obligation at end of the year</b>	<b>4,664.16</b>	<b>5,240.37</b>

**Movements in the fair value of the plan assets are as follows:**

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Fair Value of Plan Assets at the beginning of the year	4,191.87	4,471.00
Expected Return on Plan Assets	278.63	326.46
Actuarial Gain/(Loss)	308.94	(165.18)
Contributions from the employer	1,048.51	607.90
Benefits paid	(1,065.04)	(1,048.32)
<b>Fair Value of the Assets at the end of the year</b>	<b>4,762.90</b>	<b>4,191.86</b>

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

**Expected Contributions in Following Years [mid-year cash flows]**

(₹ in Lakhs)		
Year	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Year 1	NA	NA
Year 2	NA	NA
Year 3	NA	NA
Year 4	NA	NA
Year 5	NA	NA
Next 5 Years	NA	NA

“NA ” denoted “ Not Available”

**Expected Benefit Payments in Following Years [mid-year cash flows]**

(₹ in Lakhs)		
Year	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Year 1	324.46	1,942.66
Year 2	1,561.59	293.47
Year 3	350.89	698.96
Year 4	261.87	327.89
Year 5	370.83	240.10
Next 5 Years	1,203.18	1,242.55

(₹ in Lakhs)		
Sensitivity Analysis	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A. Discount Rate + 50 BP	7.47%	7.16%
Defined Benefit Obligation [PVO]	4,487.42	5,071.31
Current Service Cost	235.32	236.07
B. Discount Rate - 50 BP	6.47%	6.16%
Defined Benefit Obligation [PVO]	4,855.15	5,423.06
Current Service Cost	269.48	269.81
C. Salary Escalation Rate + 50 BP	3.50%	3.50%
Defined Benefit Obligation [PVO]	4,835.23	5,403.33
Current Service Cost	267.74	267.13
D. Salary Escalation Rate - 50 BP	2.50%	2.50%
Defined Benefit Obligation [PVO]	4,504.03	5,086.36
Current Service Cost	237.00	238.93

BP denotes “Basis Points”

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

MAJOR CATEGORIES OF PLAN ASSETS (As Percentage of Total Plan Assets)	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Government of India Securities	36.77%	29.90%
State Government Securities	27.10%	30.96%
High Quality Corporate Bonds	0.00%	0.00%
Equity shares of listed companies	24.48%	10.90%
Property	0.00%	0.00%
Special Deposit Scheme	0.00%	0.00%
Funds managed by Insurer	0.25%	0.25%
Others (to specify)	11.39%	27.99%
Total	100.00%	100.00%

The plan assets are managed by the Gratuity Trust formed by the Company.

The principal assumptions used for the purpose of actuarial valuation of International Ship Repair Facility (ISRF) and CSL Mumbai Ship Repair Unit (CMSRU) were as follows:	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Discount Rate (p.a)-ISRF	5.65%	6.00%
Discount Rate (p.a)-CMSRU	5.00%	5.70%
Rate of increase in compensation levels	3.00%	3.00%
Attrition Rate	2.00%	2.00%
Expected Rate of Return on Plan Asset	NA	NA

Amount recognised in the Statement of Profit and Loss/Other comprehensive income in respect of defined benefit plans are as follows:-

	(₹ in Lakhs)	
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Service Cost:		
Current Service Cost	44.24	45.08
Past Service Cost	–	
Net Interest expense	14.28	13.77
Components of defined benefit costs recognised in statement of profit and loss	58.52	58.85
Remeasurement of the net defined benefit liability:		
Actuarial (Gain)/Loss on Plan Obligations	(25.26)	(4.08)
Difference between Actual Return and Interest income on Plan assets (gain)/loss	–	
Components of defined benefit costs recognised in Other Comprehensive Income	(25.26)	(4.08)

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

	(₹ in Lakhs)	
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Present Value of Defined Benefit Obligation at end of the year	272.09	238.83
Less: Fair Value of Plan Assets at the end of the year	–	–
Net Liabilities /(Assets) recognized in the Balance Sheet	272.09	238.83

Movements in present value of the defined benefit obligation are as follows:-

	(₹ in Lakhs)	
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Defined Benefit Obligation at beginning of the year	238.83	184.06
Current Service Cost	44.24	45.08
Current Interest Cost	14.28	13.77
Past Service Cost	–	–
Actuarial (Gain)/ Loss	(25.26)	(4.08)
Benefits paid	–	–
Defined Benefit Obligation at end of the year	272.09	238.83

ISRF & CMSRU gratuity is self managed by the Company.

Expected Contributions in Following Years [mid-year cash flows]

	(₹ in Lakhs)	
Year	ISRF	CMSRU
Year 1	NA	NA
Year 2	NA	NA
Year 3	NA	NA
Year 4	NA	NA
Year 5	NA	NA
Next 5 Years	NA	NA

“NA “ denoted “ Not Available”

Expected Benefit Payments in Following Years [mid-year cash flows]

	(₹ in Lakhs)	
Year	ISRF	CMSRU
Year 1	71.07	13.06
Year 2	40.48	6.17
Year 3	15.32	2.23
Year 4	30.73	1.59
Year 5	15.51	0.12
Next 5 Years	71.70	4.09



# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Sensitivity Analysis

Particulars	ISRF	CMSRU
A. Discount Rate + 100 BP	6.65%	6.00%
Defined Benefit Obligation [PVO]	235.97	26.71
Variation	(3.61%)	(2.06%)
B. Discount Rate - 100 BP	4.65%	4.00%
Defined Benefit Obligation [PVO]	254.48	27.87
Variation	3.95%	2.20%
C. Salary Escalation Rate + 100 BP	4.00%	4.00%
Defined Benefit Obligation [PVO]	253.41	27.74
Variation	3.51%	1.73%
D. Salary Escalation Rate - 100 BP	2.00%	2.00%
Defined Benefit Obligation [PVO]	236.82	26.82
Variation	(3.27%)	(1.64%)

BP denotes “Basis Points”

## Note 34 : Finance Costs

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest expense on lease liabilities	3,503.84	3,406.62
Interest others	491.34	1.35
Interest on tax free bonds	1,051.44	1,051.44
<b>Total</b>	<b>5,046.62</b>	<b>4,459.41</b>

## Note 35 : Depreciation and Amortisation Expense

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Depreciation on property, plant and equipments	3,443.86	2,979.02
Depreciation on RoU Assets	1,389.91	1,390.34
Amortisation of other intangible asset	286.99	293.50
<b>Total</b>	<b>5,120.76</b>	<b>4,662.86</b>
Add : Loss on revaluation of tools	186.31	210.26
<b>Total</b>	<b>5,307.07</b>	<b>4,873.12</b>

COVID-19 pandemic had prompted a lockdown resulting in a temporary disruption of operations of the Company from March 23, 2020 to May 5, 2020. The Company continued to work on a reduced time scale for a significant period of the Quarter I which further effected the financial results of the Company during that quarter. From Quarter II onwards, in order to meet the challenges facing the Company, the Company extended hours of operations by working in two shifts.This has impacted depreciation to the tune of ₹388.11 lakhs during the year.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 36 : Other Expenses

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Consumption of stores	1,592.62	2,087.39
Consumption of spares	54.51	47.44
Rates and taxes	500.00	19.66
Power	1,920.42	2,134.70
Fuel	1,340.70	792.76
Water	303.95	242.26
Repairs and maintenance:		
Building and roads	449.05	638.75
Plant and machinery	158.23	104.92
Others	1,214.20	1,062.04
Maintenance dredging	467.32	299.50
Transport and stores handling	170.91	167.05
Travelling and conveyance expenses	491.24	849.58
Printing and stationery	75.02	98.66
Postage, telephone and telex	45.52	64.03
Advertisement and publicity	161.12	477.30
Lease rent	11.28	11.58
Guaranteed Amount under lease agreement	–	–
Hire charges	268.01	363.50
Insurance charges	744.77	427.26
Security expenses	1,996.50	1,393.59
Payments to Auditors	26.70	24.50
Training expenses	359.40	624.37
Legal expenses	29.02	58.07
Consultancy	82.56	130.46
Bank charges	699.18	496.09
Net loss on foreign currency transactions	–	502.01
Corporate social responsibility (Refer Note no.46)	1,486.98	1,270.94
Loss on sale/write off of property, plant and equipments	1.25	1.87
Miscellaneous expenses	1,277.87	1,618.13
<b>Total</b>	<b>15,928.33</b>	<b>16,008.41</b>

## Auditors remuneration, Auditors remuneration for other services and Miscellaneous expenses include:

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
For Audit Fees	15.00	12.50
For Limited Review/other services	7.50	7.50
For Certifications	4.20	4.50
<b>Total</b>	<b>26.70</b>	<b>24.50</b>

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 37 : Provision for Anticipated Losses and Expenditure

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Provision for:		
Doubtful debts / advances	98.18	3,286.89
Non moving / perpetual inventory verification	2.92	1.98
Expenses and contingencies	2,692.02	220.91
Provision for loss on Ship Building	6,371.00	5,082.00
<b>Total</b>	<b>9,164.12</b>	<b>8,591.78</b>

## Note 38 : Earnings per Equity Share

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Net Profit after tax (₹ in lakhs)	61,010.44	63,768.75
Basic and Diluted Earnings Per Share (EPS) ( in ₹ )	<b>46.38</b>	<b>48.48</b>
Face value per share ( in ₹ )	10.00	10.00

## Note 39: Additional Disclosures under Ind AS 115-“Revenue from Contract with Customers”

### Disclosures of Disaggregated revenue as per IND AS 115

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Revenue from Contracts with customers</b>		
<b>A. Revenue from goods or services transferred over time</b>		
<b>(i) Sale of products (Including Excise Duty Nil )</b>		
<b>Ship building:</b>		
Indigenous Aircraft Carrier (IAC)	200925.37	237746.87
Vessels other than IAC	35831.94	46206.78
Other operating revenue		
Ship Building Financial Assistance	3420.09	835.57
Management fee	312.33	0.00
<b>(ii) Sale of services</b>		
<b>Ship repairs</b>		
Engineering works	40850.24	56856.75
	5.50	0.00
<b>B. Revenue from goods or services transferred to customers at a point in time</b>		
Other operating revenue		
Sale of Ship Building Scrap	381.88	437.29
Sale of Ship Repair Scrap	162.35	166.13
<b>Total</b>	<b>281889.70</b>	<b>342249.39</b>

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Details of transaction price allocated to unsatisfied/ partially satisfied performance obligations:

Aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period amounts to ₹ 784884.10 lakhs (excluding Cost Plus Part of IAC contract).The amount of transaction price relating to unsatisfied performance obligation that are part of a contract that has an original expected duration of one year or less has not been included in the above disclosure as permitted under Ind AS 115. Further the estimate of the transaction price as above would not include any estimated amounts of variable consideration that are constrained.Management expects that 19.59% of transaction price allocated to unsatisfied/ partially satisfied contracts as of 31.03.2021, as stated above, will be recognised as revenue during FY 2021-22 and the remaining thereafter.

During the year ended March 31,2021 the Company recognised revenue of ₹ 15618.72 lakhs arising from opening Contract Liability as of April 01,2020

## Reconciliation of contracted price with revenue during the year

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Opening contracted price of orders</b>	<b>1504739.51</b>	<b>1176242.66</b>
Add:		
Fresh orders/change orders received (net)	11336.93	341069.70
Increase due to additional consideration including Shipbuilding Financial assistance	1766.45	7920.74
Increase due to exchange rate movements (net)	250.84	1430.22
Less:		
Other deductions including variations, change orders etc.	15654.69	13747.52
Orders completed during the year	6940.80	8176.29
<b>Closing contracted price of orders</b>	<b>1495498.24</b>	<b>1504739.51</b>
Total Revenue recognised during the year:	137551.03	136469.80
Less: Revenue out of orders completed during the year	2613.13	6709.06
Revenue out of orders under execution at the end of the year (I)	134937.90	129760.74
Revenue recognised upto previous year (from orders pending completion at the end of the year) (II)	575676.232	449884.96
Decrease due to exchange rate movements (net) (III)	0.00	0.00
Balance revenue to be recognised in future viz. Order book (IV)	784884.10	925093.81
<b>Closing contracted price of orders (I+II+III+IV)</b>	<b>1495498.24</b>	<b>1504739.51</b>

## Note 40: Additional Disclosures under Ind AS 116-“Leases”

Rent and Hire charges Expense includes expense incurred for the year ended 31.03.2021 relating to Short term leases and leases of low value assets amounting to ₹39.93 lakhs.

Total Cash outflow for leases for the year ended March 31,2021 including outflow for short term and low value leases is ₹2439.02 lakhs.

The Company has lease term extension options that are not reflected in the measurement of lease liabilities.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

The details of the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis are as follows

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Less than one year	2,567.03	2,440.69
One to five years	11,079.59	10,686.34
More than five years	119,899.03	122,762.30
<b>Total</b>	<b>133,545.65</b>	<b>135,889.33</b>

The details of the contractual maturities of leased assets as at March 31, 2021 on an undiscounted basis are as follows

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Less than one year	191.23	182.35
One to five years	313.02	465.19
More than five years	287.82	326.87
<b>Total</b>	<b>792.07</b>	<b>974.41</b>

## Note 41: Additional Disclosures for Hedge Accounting

The company enters into foreign exchange derivative 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 the following outstanding forward contracts, which have been designated as Cash Flow Hedges, as on 31 Mar 21:

(₹ in Lakhs)						
Currency	No. of contracts	31-Mar-21		No. of contracts	31-Mar-20	
		Notional amount of contracts	Fair Value Gain/ (Loss)		Notional amount of contracts	Fair Value Gain/ (Loss)
Euro	2	2982.30	(24.62)	–	–	–
NOK	2	4319.34	145.70	–	–	–
<b>Total</b>	<b>4</b>	<b>7301.64</b>	<b>121.08</b>	<b>–</b>	<b>–</b>	<b>–</b>

The movement in Hedge reserve during the year ended 31 Mar 21 for derivatives designated as cash Flow Hedges is as follows:

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Balance at the beginning of the year Cr/(Dr)	0.00	0.00
Changes in the fair value of effective portion of outstanding cash flow derivatives (Net)	121.08	0.00
<b>Balance at the end of the year</b>	<b>121.08</b>	<b>0.00</b>

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 42: Contingent Liabilities and Commitments

Particulars	As at 31 Mar 2021 (₹ in Lakhs)	As at 31 Mar 2020 (₹ in Lakhs)	Brief Description of the nature and obligation
<b>A CONTINGENT LIABILITY</b> (To the extent not provided for)			
<b>a Guarantees</b>			
i Letters of Credit	12,356.31	13,345.68	Represents Letter of Credit opened by the Company in various banks for procurement of materials/assets.
ii Bank Guarantees	353,929.06	272,384.71	
iii “Corporate Performance Guarantee to Cochin Port Trust”	3,925.00	3,925.00	Performance guarantee given by Company to CoPT for performance of obligations under the contract agreement entered with CoPT during the contract period.
<b>b Other money for which the company is contingently liable</b>			
i Greater Cochin Development Authority (GCDA)	69.06	69.06	Claim raised by GCDA for the land acquired for the Company is settled. However 8 land acquisition revision petition cases (Valued at ₹69.06 lakhs) filed by evictees is pending with the Hon’ble Supreme Court and High Court.
ii Customs duties	17,984.48	21,930.58	Customs duty for materials under Bond and indigenous vessels delivered. Includes an amount of ₹ 69.83 lakhs being Customs duty refund granted by CESTAT, Bangalore, against which an appeal was filed by the Department before the Hon’ble High Court of Kerala. The Hon’ble High Court of Kerala has since disposed off the appeal with a direction to the Department to prefer the appeal before the Hon’ble Supreme Court of India. In absence of any further information on the departmental appeal, the same has been retained as Contingent Liability.
iii Sales Tax/Kerala Value Added Tax	0.00	657.51	2000-01 - ₹ 111.93 Lakhs 2001-02 - ₹ 73.44 Lakhs 2004-05 - ₹ 195.67 Lakhs 2007-08 - ₹ 276.47 Lakhs (Under appeal.) Stay of collection of tax obtained in all cases. Demand reduced to the extent of amount paid and appeal allowed by Deputy Commissioner (Appeals). Cases are settled under Amnesty scheme 2020. Note no. 42.1 (II &III)
	0.00	12.10	VAT credit for the year 1996-97 which has not been considered in the demand, for which no provision exists in the books. Case settled under KVAT Amnesty scheme 2020.
iv Income Tax	2,069.97	2,107.27	Demand relating to Assessment Years: “AY 2010-11 - ₹ 457.63 Lakhs AY 2011-12 - ₹ 369.50 Lakhs AY 2014-15 - ₹ 911.07 Lakhs AY 2017-18 - ₹ 331.77 Lakhs Detailed notes in Note no. 42.1 (I)



# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

Particulars		As at 31 Mar 2021 (₹ in Lakhs)	As at 31 Mar 2020 (₹ in Lakhs)	Brief Description of the nature and obligation
v	Service Tax	1,647.47	1,647.47	Demand of Service Tax on IAC (Design Consultancy) as per Show Cause Notice issued. Adjudication pending.
		376.88	376.88	Refund claim of Service Tax on IAC granted by Commissioner (Appeal). However Department filed Appeal before CESTAT against the order of Commissioner(Appeals). Also issued Show Cause Notice on CSL & adjudication pending.
		323.04	323.04	Demand of Service Tax on IAC (Management Fee/Handling Charges) as per Show Cause Notice issued. Adjudication pending.
		2,339.64	2,339.64	Show Cause Notice issued for levy of service tax on ship repair without allowing deduction of materials for which VAT paid and disallowance of Cenvat Credit. Proceedings under the show cause has been dropped vide order no. COC-EXCUS-000-COM-18-17-18 dt 19.03.2018. Department filed appeal to CESTAT.
		1,885.60	1,885.60	Show Cause Notice issued for levy of Service Tax on the repair of vessels owned by UTLA by denying the benefit of Notification No.25/212-ST dt. 20-6-2012 available for the repair of vessels owned by Govt. Departments. Proceedings under the show cause has been dropped vide order no. COC-EXCUS-000-COM-11-17-18 dt 07.03.2018. Department filed appeal to CESTAT.
		513.71	513.71	Show Cause Notice issued for levy of Service Tax on the repair of vessels during FY 2015-16 owned by UTLA by denying the benefit of Notification No.25/212-ST dt. 20-6-2012 available for the repair of vessels owned by Govt. Departments.
		734.93	734.93	Show Cause Notice issued for levy of Service Tax on the repair of vessels during FY 2016-17 owned by UTLA by denying the benefit of Notification No.25/212-ST dt. 20-6-2012 available for the repair of vessels owned by Govt. Departments.
		150.56	79.22	Show Cause Notice issued for levy of service tax on ship repair during the period 2015-16 without allowing deduction of materials for which VAT paid and disallowance of Cenvat Credit. Joint Commissioner vide OIO No.48/2020-ST(JC) dt 31.12.2020 confirmed demand. Appeal filed to Commissioner (Appeals) againt OIO.
		286.85	286.85	Show Cause Notice issued for levy of service tax on ship repair during the period 2016-17 without allowing deduction of materials for which VAT paid and disallowance of Cenvat Credit.
		279.46	279.46	Show Cause Notice issued for non payment of service tax on availing services of persons in non-taxable territory for meeting contractual warranty obligations and on cost of security provided to the transportation of Barge from Cochin to Abu Dhabi.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

Particulars		As at 31 Mar 2021 (₹ in Lakhs)	As at 31 Mar 2020 (₹ in Lakhs)	Brief Description of the nature and obligation
vi	Alekton Engineering Industries Ltd	165.91		The petitioner approached MSME Council for recovery of Liquidation damages with interest deducted by CSL for delay in submission of drawings and supply of goods. MSME Council, Chennai referred to arbitration by Madras High Court Arbitration Centre. Madras High Court Arbitration Centre has appointed Mr. Suhrith Parthsarrathy as the sole arbitrator. Claim petition filed by the petitioner.
	Employee State Insurance Corporation	17.26	—	Claims towards interest and damages in respect of delayed payments of ESI contributions payable in respect of advanced trainees during the period from June 2010 to Jul 2013. Aggrieved, CSL filed cases I.C No.60/2016, IC No: 09/2020, IC No: 03/2021 challenging the illegality and violation of instructions and the manner in which the claims were preferred by ESI Corporation.
<b>B</b>	COMMITMENTS (To the extent not provided for)			
<b>a</b>	Estimated amount of contracts remaining to be executed on capital account and not provided for:	115,886.00	134,742.67	
<b>b</b>	<b>Other commitments</b>			
i	Investment in subsidiary (Hooghly Cochin Shipyard Ltd) for which the company has restriction for their disposal for 5 years from the effective date date of the concession agreement.	—	2,135.34	
ii	Unutilised amount of Initial Public Offer (IPO) proceeds (Pending utilisation amount deposited with various banks in current account and term deposits)	—	4,737.06	Detailed notes in Note no. 43

## Note 42.1. Contingencies And Commitments

### (I) Income Tax Assessments

The Income Tax Assessment of the company have been completed up to AY 2017-18.

Demands raised as per the assessment orders totaling to ₹ 1369.11 lakhs for the Assessment Years 2010-11, 2011-12, 2014-15 and 2017-18 are shown under Contingent Liability pending disposal of the appeals filed before the Commissioner of Income Tax (Appeals). The demands are mainly due to disallowance of certain genuine claims. However the above demands have been adjusted against the refund due for the subsequent years.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

For the Assessment years 2010-11 and 2011-12 although the appeals filed before the Commissioner of Income Tax (Appeals) has been disposed in favour of the company, the Income Tax Department has gone for appeal against the order of Commissioner of Income Tax (Appeals) before the ITAT,the amount involved under appeal before the ITAT amounts to ₹700.86 lakhs.

## (II) Sales Tax Assessment under KGST Act

The pending cases have been settled under Amnesty scheme 2020, of Govt. of Kerala.

## (III) Sales Tax Assessments under KVAT Act

The pending cases have been settled under Amnesty scheme 2020, of Govt. of Kerala.

## Note 43 : The Utilisation of IPO proceeds is summarised below

(₹ in Lakhs)			
Particulars	IPO proceeds received -Based on Final allotment	Actual cash outflow upto March 31, 2021	Unutilised amount as at March 31, 2021
Setting up of Dry Dock	51000.00*	51000.00	0.00
Setting up of ISRF	26500.00*	26500.00	0.00
General corporate purposes	16523.26	16523.26	0.00
Issue related expenses (Attributable to the Company)	2172.10**	2172.10	0.00
<b>Total</b>	<b>96195.36</b>	<b>96195.36</b>	<b>0.00</b>

\* As per Prospectus Filed

\*\* Increase in IPO expenditure (₹172.10 lakhs) compared to the estimates is adjusted against amount specified for General Corporate Purpose

## Note 44 :

The dispute between M/s Apeejay Shipping Ltd (formerly known as Surendra Overseas Ltd) and the Company, in the matter of ship 005 was referred for arbitration by the Hon’ble Supreme Court of India. The arbitration award (July 2009) was in favour of the Company under which the Company is to receive ₹2803.64 lakhs from M/s Apeejay Shipping Ltd. The company has filed a petition before Sub Court, Ernakulam for passing a decree. M/s Apeejay Shipping Ltd has moved to the Sub Court to quash the Award of the Umpire and the Company has filed Counter Affidavit against this move. Petition is dismissed by the Sub Court. Petitioners have field appeal before the High Court against the order of the Sub- Court . The matter is pending before the court. No credit has been taken in the books of account, pending final decree of the Court.

## Note 45 :

Permanent Machinery for Arbitration, Department of Public Enterprises, Govt. of India, has notified award in favour of the Company in the dispute between the Company and M/s Oil and Natural Gas Corporation Ltd (ONGC) on the Works Contract Tax issue and ONGC has paid to the Company the disputed sum along with interest amounting to ₹ 2642.22 Lakhs as per the award. ONGC has gone on appeal before the Law Secretary, Ministry of Law & Justice against the award. Pending disposal of ONGC appeal, no adjustment has been made in the accounts.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 46 : Litigations

The Company is subject to legal proceedings and claims, in the ordinary course of business. The Company’s Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Company’s results of operation.

### Details of material litigation as on 31 March 2021

M/s. Vigil Marine Services in 2004 raised claims towards Agency Commission payable for winning orders for ATCO Tugs. The arbitration proceedings commenced on 10 Oct 2004. Examination and cross examination of witnesses completed and posted the matter for arguments on 01 and 02 Feb 2014. The Arbitrator completed the proceedings and passed his award directing the Company to pay commission to M/s Vigil Marine Services at the rate of 5% of the ATCO contract value of U S Dollar 18.25 Million with interest @ 8% per annum. Aggrieved on this CSL filed Original Suit No 187/2016 before Sub Court, Ernakulam and obtained an interim order staying execution of the award. However the Company has already provided for the principal amount and interest thereon.

## Note 47 : Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act 2013, CSR committee has been formed by the Company. The areas of CSR activity includes Health Care, Education, Social Empowerment, etc., and those specified in Schedule VII of the Companies Act 2013. The utilisation of CSR funds are done through direct spending as per the recommendations of CSR committee. Details of amount required to be spent and the amount utilised are given below:

(a) Gross amount required to be spent by the Company during the period ended March 31, 2021	₹ 1479.77 Lakhs
(b) Amount spent during the year	₹ 1526.98 Lakhs

(₹ in Lakhs)			
Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	1,280.03	–	1,280.03
(ii) On purposes other than (i) above	246.95	–	246.95

### In case of Sec.135(5) Excess amount spent

(₹ in Lakhs)			
Amount carry forwarded from previous financial years	Amount spent during the year	Amount charged to P&L as CSR expenses	Amount carry forwarded to succeeding financial years
0.00	1526.98	1486.98	40.00

## Note 48 : Related Party disclosure as per Ind AS 24

Related Party	Nature of Relationship	
	2020-21	2019-20
Shri Madhu S Nair Chairman & Managing Director	Key Managerial Personnel	Key Managerial Personnel
Shri Paul Ranjan D (Up to July 31,2019) Director (Finance) & Chief Financial Officer	–	Key Managerial Personnel
Shri Suresh Babu N V Director (Operations)	Key Managerial Personnel	Key Managerial Personnel

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

Related Party	Nature of Relationship	
	2020-21	2019-20
Shri Bejoy Bhasker Director (Technical)	Key Managerial Personnel	Key Managerial Personnel
Shri Jose V J (From August 01, 2019) Director (Finance) & Chief Financial Officer	Key Managerial Personnel	Key Managerial Personnel
Shri Satinder Pal Singh (Upto February 03, 2020) Official Part Time (Nominee) Director, Government of India	–	Key Managerial Personnel
Shri Sanjay Bandopadyaya (From February 03, 2020) Official Part Time (Nominee) Director, Government of India	Key Managerial Personnel	–
Shri Sanjay Bandopadyaya (From February 03, 2020) Official Part Time (Nominee) Director, Government of India	Key Managerial Personnel	Key Managerial Personnel
Shri K R Jyothilal Official Part Time (Nominee) Director, Government of Kerala	Key Managerial Personnel	Key Managerial Personnel
Smt. Roopa Shekhar Rai (From July 29, 2019 to March 20, 2020) Non Official Part Time (Independent) Director	–	Key Managerial Personnel
Shri Radhakrishna Menon (From July 29, 2019 to March 20, 2020) Non Official Part Time (Independent) Director	–	Key Managerial Personnel
Shri Krishna Das E (From July 29, 2019 to March 20, 2020) Non Official Part Time (Independent) Director	–	Key Managerial Personnel
Shri Jiji Thomson (Upto July 14, 2020) Non Official Part Time (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Pradipta Banerjee (Upto July 14, 2020) Non Official Part Time (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Nanda Kumaran Puthezhath (Upto July 14, 2020) Non Official Part Time (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Smt V Kala (Upto January 31, 2020) Company Secretary	–	Key Managerial Personnel
Shri Syamkamal N (From February 01, 2020) Company Secretary	Key Managerial Personnel	Key Managerial Personnel
Hooghly Cochin Shipyard Limited (Principal place of business:Kolkata)	Subsidiary Company	Subsidiary Company
Tebma Shipyards Limited (Principal place of business:Malpe)	Subsidiary Company	–

Nature of transaction-Remuneration to Key Managerial Person\*

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Short term benefit	251.05	353.83
Post employment Benefit	34.00	38.89
<b>Total</b>	<b>285.05</b>	<b>392.72</b>

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

Nature of transaction-Advances

(₹ in Lakhs)					
Name of Related Party	Opening Balance as on 1/4/2020	Loans/advances Taken during 2020-21	Repayment	Balance as on 31/03/21	Interest accrued as on 31/03/21
SURESH BABU N V	0.20	0.25	0.37	0.08	0.00
BEJOY BHASKER	0.20	0.25	0.37	0.08	0.00
JOSE V J	0.20	0.40	0.49	0.11	0.00
SYAMKAMAL N	0.24	0.40	0.52	0.12	0.00

(₹ in Lakhs)					
Name of Related Party	Opening Balance as on 1/4/2019	Loans/advances Taken during 2019-20	Repayment	Balance as on 31/03/20	Interest accrued as on 31/03/20
MADHU S NAIR	0.00	0.00	0.00	0.00	0.00
PAUL RANJAN D	0.15	0.00	0.15	0.00	0.00
SURESH BABU N V	0.19	0.50	0.49	0.20	0.00
BEJOY BHASKER	0.52	0.50	0.82	0.20	0.00
JOSE V J	0.18	0.50	0.48	0.20	0.00
KALA V	0.15	0.50	0.65	0.00	0.00
SYAMKAMAL N	0.18	0.60	0.54	0.24	0.00

Loan balances have been considered from the year of attaining KMP status.

Nature of transaction-Sitting Fee to Independent Directors

(₹ in Lakhs)			
Name of the meeting	Jiji Thomson	Nandakumaran Puthezhath	Pradipta Banerji
Board Meeting	0.15	0.15	0.15
Audit Committee	0.15	0.15	0.15
Corporate Social Responsibility Committee	0.15	0.15	
Nomination and Remuneration Committee	0.15	0.15	0.15
Contracts and Capex Committee	0.15	0.15	0.15
<b>Total payment for 2020-21</b>	<b>0.75</b>	<b>0.75</b>	<b>0.60</b>

Nature of transaction - Transaction with other related parties

As CSL is a Government company under the control of Ministry of Shipping (MoS), the Company has availed exemption from detailed disclosures prepared under Ind AS 24 with respect to related party transactions with Government and Government related entities.

However, as required under Ind AS 24, following are the individually significant transactions:



# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

Transactions with Government and Government related entities by the parent company.

(₹ in Lakhs)		
Particulars	As at March 31,2021	As at March 31,2020
Secondment to subsidiary - Hooghly Cochin Shipyard Ltd.(HCSL)	6.15	33.03
Secondment to subsidiary - Tebma Shipyards Ltd.(TSL)	13.05	
Investment in NCDs issued by subsidiary - HCSL	4400.00	4400.00
Investment in Right Issue in subsidiary - HCSL	2800.00	0.00
Investment in Cumulative Redeemable Preference Shares in subsidiary -HCSL	5600.00	0.00
Loans to subsidiary HCSL	1000.00	0.00
Repayment by subsidiary HCSL	1000.00	0.00
Loans to subsidiary TSL	500.00	0.00
Amount payable to Government of India	234.19	235.40
Amount paid as dividend during the year to Govt. of India	26836.17	14474.11
Interest on NCD issued by HCSL	286.00	286.00
Interest on loan to HCSL	20.12	0.00
Interest on loan to TSL	14.69	0.00
Dividend on preference shares issued by HCSL	45.67	0.00

In addition to the above, around 92.01 % of the companies turnover and 95.98 % (approx) of trade receivables and customer advance is with respect to Government and Government related entities.

Shares held by Nominee Directors in HCSL on behalf of CSL

	As at March 31,2021	As at March 31,2020
	No of Shares	
MADHU S NAIR (First Director)	10	10
SURESH BABU N V (First Director)	10	10
BEJOY BHASKER (Director)	10	10
JOSE V J (Director)	10	10
SYAMKAMAL N (Company Secretary, CSL)	10	10
K J RAMESH (Subscriber to Memorandum)	10	10

Shares held by Nominee Directors in TSL on behalf of CSL

	As at March 31,2021	As at March 31,2020
	No of Shares	
MADHU S NAIR (First Director)	10	—
SURESH BABU N V (First Director)	10	—
BEJOY BHASKER (Director)	10	—
JOSE V J (Director)	10	—
SHIBU JOHN (DGM FIN i/c, CSL)	10	—
ASWIN SARMA M (Asst. Company Secretary, CSL)	10	—

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

Note 49 : Financial Instruments

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level I inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level II inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level III inputs are unobservable inputs for the asset or liability.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required)

			(₹ in Lakhs)
Financial assets/ financial liabilities	Fair value as at		Fair Value hierarchy
	As at March 31,2021	As at March 31,2020	
<b>Financial Assets</b>			
<b>Non Current</b>			
(i) Investments	21,444.52	6,544.52	Level III
(ii) Loans	862.76	108.24	Level II
(iii) Others	4,331.07	864.50	Level II
<b>Current</b>			
(i) Trade Receivables	35,330.43	28,823.21	Level II
(ii) Cash & Cash equivalents	66,721.59	84,851.63	Level II
(iii) Bank Balances other than (ii)	147,916.77	132,740.27	Level II
(iv) Loans	57.20	30.97	Level II
(v) Others	1,734.65	3,292.18	Level II
<b>Total Financial Assets</b>	<b>278,398.99</b>	<b>257,255.52</b>	
<b>Financial Liabilities</b>			
<b>Non Current</b>			
(i) Borrowings	12,300.00	12,300.00	Level I
(ii) Other financial liabilities	38,635.93	37,586.91	Level II
<b>Current</b>			
(i) Trade Payables	43,542.59	41,871.79	Level II
(ii) Other financial liabilities	23,516.08	17,266.32	Level II
<b>Total Financial Liabilities</b>	<b>117,994.60</b>	<b>109,025.03</b>	

Note:

- The investments in equity instruments are not held for trading. Instead, they are held for medium or long term strategic purpose. The Company has chosen to designate these investments in equity instruments of Subsidiary at cost (as per Ind AS 27 )and other equity instruments at FVTOCI(as per Ind AS 109), as the directors believe that this provides a more meaningful presentation of medium or long term strategic investments, than reflecting changes in fair value immediately in profit or loss. The investments in debt instruments are not held for trading. Upon the application of Ind AS 109, the Company has chosen to designate these investments at Amortised Cost

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

Investments included in level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

There were no transfers between Level 1 and 2 in the period.

2.    Loans, Borrowings are at the market rates and therefore the carrying value is the fair value.
3.    The carrying amount of trade receivables, trade and other payables and short term loans are considered to be the same as their fair value due to their short term nature.

Difference between carrying amounts and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented

Financial Instruments by category

	31st March 2021			31st March 2020		
	FVTPL	FVTOCI	Amortised Cost/At Cost	FVTPL	FVTOCI	Amortised Cost/At Cost
<b>Financial Assets</b>						
Investments (Non-current)						
-Equity instruments		9.18	11,435.34		9.18	2,135.34
-Debt instruments			10,000.00			4,400.00
-Preference shares						
Investments (Current)						
-Mutual Funds						
Trade receivables			35,330.43			28,823.21
Cash & Cash equivalents			66,721.59			84,851.63
Bank Balances			147,916.77			132,740.27
Other Financial Assets			6,985.68			4,295.89
<b>Total Financial Assets</b>	<b>0.00</b>	<b>9.18</b>	<b>278,389.81</b>	<b>0.00</b>	<b>9.18</b>	<b>257,246.34</b>
<b>Financial liabilities</b>						
Borrowings			12,300.00			12,300.00
Trade payables			43,542.59			41,871.79
Capital creditors						
Other financial liabilities			62,152.01			54,853.23
<b>Total Financial Liabilities</b>			<b>117,994.60</b>	<b>0.00</b>	<b>0.00</b>	<b>109,025.03</b>

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

Note 50 : Financial Risk Management Policy

Financial Risk Management Objective and Policies:

The Company's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables and advances from customers. The main purpose of these financial liabilities is to finance the Company's operations, projects under implementation and to provide guarantees to support its operations. The Company's principal financial assets include Investment, loans and advances, trade and other receivables and cash and bank balances that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out based on the forex risk management policy approved by the Board. As per the policy trading in derivatives for speculative purposes are not allowed. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of financial assets will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial Assets affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Foreign currency risk of the company is managed through a properly documented risk management policy approved by the board. The Board of directors also reviews the foreign currency exposure of the Company on quarterly basis.

Commodity Price Risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of steel, major machineries, equipments etc. Therefore, the Company plans its purchases closely to optimise the price.

Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

## Note 51 : Segment Reporting

The Company has identified two major operating segments viz, Shipbuilding and Repair of ships/ offshore structures. Segment wise analysis has been made on the above basis and amounts allocated on a reasonable basis.

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>Segment Assets</b>		
Ship building	319484.51	292812.55
Ship Repair	259606.41	243285.53
Others	160863.06	104364.17
<b>Total</b>	<b>739953.98</b>	<b>640462.25</b>
<b>Segment Liability</b>		
Ship building	104576.01	67144.21
Ship Repair	11264.54	12715.35
Others	226356.75	187423.19
<b>Total</b>	<b>342197.30</b>	<b>267282.75</b>
<b>Segment Revenue</b>		
Ship building	240559.27	285226.50
Ship Repair	41330.43	57022.89
Unallocated	19386.07	24750.03
<b>Total</b>	<b>301275.77</b>	<b>366999.42</b>
<b>Segment Result</b>		
Ship building	76229.86	66459.10
Ship Repair	9419.89	14741.55
Unallocated	(4591.11)	5141.93
<b>Total</b>	<b>81058.64</b>	<b>86342.58</b>

The Company has two major business segments –“Ship Building” and “Ship Repair”. Revenue under Ship building includes ₹ 203736.66 lakhs (Previous year: ₹ 237746.87 lakhs) from one customer (Previous year: one customer) having more than 10 % revenue of the total revenue, and for Ship repair includes ₹ 29714.58 lakhs (Previous year: ₹49582.22 lakhs) from three customers ( Previous year: three customers) having more than 10% revenue of the total revenue.

## Note 52 : Capital Management

The company’s objective when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

For the purpose of capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The company is not subject to any externally imposed capital requirements.

To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return on capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings (including bonds).

# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Long term borrowings	12300.00	12300.00
Net Debt	12300.00	12300.00
Equity Share Capital	13154.04	13154.04
Other equity	384602.64	360025.46
Total Equity	397756.68	373179.50
Gearing Ratio	3.09%	3.30%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

## Note 53 :

The Coronavirus disease (COVID-19) is turning out to be a human tragedy and a global pandemic impacting the society and the economy at large. It is adversely affecting the health of people worldwide as well as on the state of economy and commerce. It continues to be a matter of major concern for all the business organizations even though the vaccination of the masses has already started. The COVID-19 outbreak in waves has already had a significant effect on the economies of affected countries and international financial markets. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown from the 25th of March 2020 announced by the Indian Government, to stem the spread of COVID-19. Due to this the operation at CSL’s facilities and its subsidiaries was temporarily disrupted from 23rd March 2020 to 5th May 2020. This was followed by a period of low infection which helped open the industries and economy. The Company also ramped up the production significantly in the ensuing quarters. There were some delay in the running projects including Capex but impact is lessened to a great extent by invocation and grant of the Force Majeure clause in contracts and GoI circular dated 13 May 2020. However, the second wave which started from February 2021 is again forcing states to lockdown for extended periods. The impact of the second wave is still unfolding. The business landscape presents a challenge because of the likely shelving/withholding of the pipeline projects by the potential clients but the Company expects sufficient business for it. The unfolding pandemic scenario still presents a challenge for the company in assessing the future despite the renewed vaccination drive across the globe and the Company will continue to closely monitor any material changes to future economic conditions.

## Note 54 :

In the case of contracts/sub-contracts, wherever final bills are not submitted by the contractors for the work done as at the close of the year, liability is estimated and provided based on the work done.

## Note 55 :

Balance shown under Trade Receivables, Trade Payables , loans, deposits and claims are subject to confirmation and consequent reconciliation, if any.



# Notes

to the Standalone Financial Statements for the year ended 31st March, 2021

**Note 56 :**

The Company has made adequate provision towards material foreseeable losses wherever required, in respect of long term contracts. The Company do not have any long term derivative contracts for which there were any material foreseeable losses.

**Note 57 :**

Figures in brackets denote negative figures.

**Note 58 :**

Previous year figures have been regrouped and classified wherever necessary to conform to the current year presentation.

Corporate overview and Significant Accounting Policies	1-2
Notes to the Financial Statements	3-58

The accompanying notes are an integral part of these financial statements

As per our report attached For and on behalf of Board of Directors

For **M/s Elias George and Co.,**  
Chartered Accountants  
(Firm Registration No. 000801S)

**SYAMKAMAL N**  
Company Secretary

**BEJOY BHASKER**  
Director (Technical)  
(DIN 08103825)

**CHIRAG J SHAH**  
Partner  
(Membership No. 214798)

**JOSE V J**  
Director (Finance) & Chief Financial Officer  
(DIN 08444440)

**MADHU S NAIR**  
Chairman and Managing Director  
(DIN 07376798)

Kochi  
June 11, 2021

Kochi  
June 11, 2021

# INDEPENDENT AUDITOR’S REPORT

To  
The Members of  
**Cochin Shipyard Limited**

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of Cochin Shipyard Limited (hereinafter referred to as the “Holding Company”) and its subsidiaries (Holding company and its subsidiaries together referred to as “the Group”) which comprise the consolidated Balance Sheet as at 31st March 2021, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), and the consolidated Statement of Changes in Equity and the consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the Consolidated Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Ind AS prescribed under section 133 of the Act read with the Companies (Ind AS) Rules, 2015, as amended (“Ind AS”) and accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, of its consolidated profit (including Other Comprehensive Income), its consolidated changes in equity and its consolidated cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Measurement of Physical Completion of Ship Building and Ship Repair activities.

The company recognises revenue from ship building and ship repair activities based on percentage of completion method. The percentage of completion is arrived at based on estimated percentage of physical completion as assessed by the management of the company which involves exercise of significant judgements. Refer Note 2.4 (Critical Accounting Estimates and Judgements) & 2.18(a) (Revenue Recognition) to the Consolidated Financial Statements. The physical completion is ascertained as per an in-house procedure developed by the management of the company. The procedure and the assumptions therein are based on certain judgements made by the management based on inputs received from the planning, design and technical departments of the company. Further, the ascertainment of the actual physical completion of each sub-activity on reporting date also involves management estimation. Our audit approach consisted of understanding the basis and assumptions made in adopting such procedure, understanding the system for capturing data and monitoring the progress of completion of various works for internal reporting to the management, evaluating the internal controls in such system, selecting samples and performing substantive checking, and analytical procedures. However, we have placed substantial reliance on the technical and activity based assessment made by the management for the purpose of recognition of income.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, Management Discussion and Analysis, Business Responsibility Report, Report on Corporate Governance, but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Responsibilities of Management and Those Charged With Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including Other Comprehensive Income) and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and

fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements

of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of the company's subsidiaries (Hooghly Cochin Shipyard Limited and Tebma Shipyards Limited), whose Standalone financial statements reflect total assets of ₹18,133.57 Lakhs and ₹16,888.09 Lakhs as at March 31, 2021, total revenues of ₹40.77 Lakhs and ₹74.74 Lakhs and net cash outflows amounting ₹1,791.07 Lakhs and ₹2,439.70 Lakhs for the year ended on that date respectively, as considered in the consolidated financial statements (before eliminating inter Company balances and transactions). These financial statements have been audited by another auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

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

- 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 of the aforesaid consolidated financial statements.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement

- of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act, regarding disqualification of Directors, are not applicable to the Holding Company and its subsidiary, since they are Government Companies.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in Annexure.

(g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, we offer no comments as the Holding Company and its Subsidiary are exempted from the provisions of Section 197 vide notification no. G.S.R. 463(E) dated June 5, 2015.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
- For **Elias George & Co.**  
Chartered Accountants  
Firm Regn. No. 000801S

**Chirag J Shah**  
Partner  
Membership No. 214798  
UDIN: 21214798AAAABY5666

Kochi  
11 June, 2021

## Annexure to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Cochin Shipyard Limited

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

#### Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Cochin Shipyard Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies incorporated in India, as of that date.

In our opinion to the best of our information and according to the explanation given to us, the Holding Company and its subsidiary companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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 ICAI.

### 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.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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 the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. 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 and audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over

financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the subsidiary companies incorporated in India is based on the corresponding reports of the auditors of the subsidiary companies incorporated in India.

Our opinion is not modified in respect of this matter.

For **Elias George & Co.**  
Chartered Accountants  
Firm Regn. No. 000801S

**Chirag J Shah**  
Partner  
Membership No. 214798  
UDIN: 21214798AAAABY5666

Kochi  
11 June, 2021

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF COCHIN SHIPYARD LIMITED FOR THE YEAR ENDED 31 MARCH 2021**

The preparation of consolidated financial statements of Cochin Shipyard Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the 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 11 June 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of Cochin Shipyard Limited for the year ended 31 March 2021. We conducted a supplementary audit of the financial statements of Cochin Shipyard Limited, Tebma Shipyards Limited and Hooghly Cochin Shipyard Limited for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor 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 under section 143(6)(b) of the Act.

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

Place: Chennai  
Date: 12.08.2021

**(DEVIKA NAYAR)**  
**Director General of Commercial Audit, Chennai**

## CONSOLIDATED BALANCE SHEET

as at 31st March, 2021

(₹ in Lakhs)			
Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	80,397.83	70,047.69
(b) Capital work-in-progress	4	117,585.19	79,925.40
(c) Intangible assets	5	6,317.69	6,313.91
(d) Financial assets			
(i) Investments	6	9.18	9.18
(ii) Loans	7	363.09	108.55
(iii) Other Financial Assets	8	4,285.40	864.50
(e) Income tax assets (net)	9	3,917.02	6,025.42
(f) Deferred tax assets (net)	10	12,024.94	4,698.58
(g) Other non-current assets	11	21,436.19	29,769.41
<b>Total Non-Current assets</b>		<b>246,336.53</b>	<b>197,762.64</b>
<b>Current assets</b>			
(a) Inventories	12	43,410.32	31,341.31
(b) Financial Assets			
(i) Trade receivables	13	35,336.95	28,823.21
(ii) Cash and cash equivalents	14	72,870.14	86,682.14
(iii) Bank balances other than (ii) above	15	148,023.19	132,840.27
(iv) Loans	16	57.20	30.97
(v) Other Financial assets	17	1,574.24	3,145.35
(c) Current tax assets (net)	9		44.52
(d) Other current assets	18	204,311.07	160,002.12
<b>Total Current assets</b>		<b>505,583.11</b>	<b>442,909.89</b>
<b>Total Assets</b>		<b>751,919.64</b>	<b>640,672.53</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity :</b>			
(a) Equity share capital	19	13,154.04	13,154.04
(b) Other equity	20	390,191.08	359,134.31
<b>Total Equity</b>		<b>403,345.12</b>	<b>372,288.35</b>
<b>Liabilities :</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	12,300.00	12,300.00
(ii) Other financial liabilities	22	39,360.69	37,586.91
(b) Provisions	23	3,161.39	2,872.20
(c) Other non current liabilities	24	10.30	11.45
<b>Total Non-Current Liabilities</b>		<b>54,832.38</b>	<b>52,770.56</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables			
Total outstanding dues of Micro Enterprises and Small Enterprises	25	1,527.88	686.52
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		42,015.54	41,185.27
(ii) Other financial liabilities	26	25,284.73	17,801.48
(b) Other current liabilities	27	164,278.09	116,098.27
(c) Provisions	28	53,326.26	38,686.63
(d) Current tax liabilities (net)	9	7,309.64	1,155.45
<b>Total Current Liabilities</b>		<b>293,742.14</b>	<b>215,613.62</b>
<b>Total Equity and Liabilities</b>		<b>751,919.64</b>	<b>640,672.53</b>

Corporate overview and Significant Accounting Policies 1-2  
Notes to the Financial Statements 3-62  
The accompanying notes are an integral part of these financial statements

As per our report attached

For **M/s Elias George and Co.,**  
Chartered Accountants  
(Firm Registration No. 000801S)

**CHIRAG J SHAH**  
Partner  
(Membership No. 214798)

Kochi

June 11, 2021

For and on behalf of Board of Directors

**SYAMKAMAL N**  
Company Secretary

**JOSE V J**  
Director (Finance) & Chief Financial Officer  
(DIN 08444440)

Kochi

June 11, 2021

**BEJOY BHASKER**  
Director (Technical)  
(DIN 08103825)

**MADHU S NAIR**  
Chairman and Managing Director  
(DIN 07376798)

## CONSOLIDATED STATEMENT OF PROFIT & LOSS

for the year ended 31st March, 2021

(₹ in Lakhs)			
Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>I Income</b>			
Revenue from operations	29	281889.70	342249.39
Other income	30	19082.67	24508.13
<b>Total Income</b>		<b>300972.37</b>	<b>366757.52</b>
<b>II Expenses:</b>			
Cost of materials consumed	31	121981.82	179599.82
Sub contract and other direct expenses	32	33631.38	36556.98
Employee benefits expense	33	29228.30	30591.03
Finance costs	34	5126.10	4492.41
Depreciation and amortisation expense	35	5983.08	4893.89
Other expenses	36	16308.17	16259.61
Provision for anticipated losses and expenditure	37	9164.12	8591.78
<b>Total expenses</b>		<b>221422.97</b>	<b>280985.52</b>
<b>III Profit before exceptional items and tax (I-II)</b>		<b>79549.40</b>	<b>85772.00</b>
<b>IV Exceptional Items</b>			
Profit before Tax (III-IV)	38	1263.40	0.00
		80812.80	85772.00
<b>IV Tax expense:</b>			
(1) Current tax	9	23293.20	20634.83
(2) Deferred tax	9	(3346.84)	1936.18
<b>V Profit for the year</b>		<b>60866.44</b>	<b>63200.99</b>
<b>VI Other comprehensive income</b>			
<b>A) Items that will be reclassified to profit or loss</b>			
i) Effective portion of gains/losses on cash flow hedging instruments		121.08	-
ii) Income tax relating to items that will be reclassified to profit or loss		(30.48)	-
<b>A) Items that will not be reclassified to profit or loss</b>			
i) Remeasurements of defined employee benefit obligations		411.01	(797.60)
ii) Income tax relating to items that will not be reclassified to profit or loss		(103.44)	200.76
<b>Other comprehensive income for the year</b>		<b>398.17</b>	<b>(596.84)</b>
<b>VII Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period)</b>		<b>61264.61</b>	<b>62604.15</b>
<b>Profit attributable to:</b>			
Owners of the Company		60866.44	63200.99
Non-controlling interest		0.00	0.00
<b>Profit for the year</b>		<b>60866.44</b>	<b>63200.99</b>
<b>Other comprehensive income attributable to:</b>			
Owners of the Company		398.17	(596.84)
Non-controlling interest		0.00	0.00
<b>Other comprehensive income for the year</b>		<b>398.17</b>	<b>(596.84)</b>
<b>Total Comprehensive Income</b>			
Owners of the Company		61264.61	62604.15
Non-controlling interest			
<b>Total Comprehensive income for the year</b>		<b>61264.61</b>	<b>62604.15</b>
<b>VIII Earnings per equity share of ₹ 10 each :</b>			
(1) Basic (₹)	39	46.27	48.05
(2) Diluted (₹)		46.27	48.05

Corporate overview and Significant Accounting Policies 1-2  
Notes to the Financial Statements 3-62

The accompanying notes are an integral part of these financial statements

As per our report attached

For **M/s Elias George and Co.,**  
Chartered Accountants  
(Firm Registration No. 000801S)

**CHIRAG J SHAH**  
Partner  
(Membership No. 214798)

Kochi

June 11, 2021

For and on behalf of Board of Directors

**SYAMKAMAL N**  
Company Secretary

**JOSE V J**  
Director (Finance) & Chief Financial Officer  
(DIN 08444440)

Kochi

June 11, 2021

**BEJOY BHASKER**  
Director (Technical)  
(DIN 08103825)

**MADHU S NAIR**  
Chairman and Managing Director  
(DIN 07376798)

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31st March, 2021

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>A. Cash flow from operating activities</b>		
Profit before tax	80,812.80	85,772.00
Adjustments for :		
Depreciation and amortisation	5,983.08	4,893.89
Interest expense	5,126.10	4,492.41
Interest income	(10,346.50)	(16,497.02)
Rental income	(63.66)	(64.46)
Dividend income	(0.89)	(0.89)
Loss on sale/write off of property, plant and equipment	1.25	1.87
Profit on sale of investments	–	(235.30)
Income recognised on Govt. assistance	(1.14)	(1.14)
Loss/(gain) on derivative contracts (net)	(123.99)	–
Net (gain) /loss on foreign currency transactions	(404.65)	502.01
Operating cash flow before working capital changes	80,982.40	78,863.37
Movements in working capital :		
(Increase) / decrease in inventories	(12,255.31)	(3,214.86)
(Increase) / decrease in trade, other receivables and assets	(43,717.02)	(69,414.09)
Increase / (decrease) in trade and other payables	64,686.89	37,119.91
	89,696.96	43,354.33
Income tax paid net of refunds	(10,747.97)	(18,088.36)
Net cash flows from operating activities (A)	78,948.99	25,265.97
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(5,310.63)	(3,796.53)
(Increase) / decrease in capital work In progress	(37,659.79)	(45,688.34)
(Increase) / decrease in Term deposits with maturity above three months	(15,182.11)	22,817.20
Investment in Mutual Funds	–	(66,800.00)
Redemption of Mutual Funds	–	66,800.00
Transaction costs on investments		(1.27)
Dividend received	0.89	0.89
Profit on sale of investments	–	235.30
Acquisition of Non Controlling Interest		(506.08)
Acquisition of subsidiary net of cash acquired	(6,250.26)	–
Sale or withdrawal of property, plant and equipment	2.49	0.66
Interest received	12,095.89	17,133.11
Rent received	63.66	64.46
Net cash flows from investing activities (B)	(52,239.86)	(9,740.60)

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31st March, 2021

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>C. Cash flow from financing activities</b>		
Borrowings/ Repayment of loans by employees	(274.98)	28.72
Net gain /loss on foreign currency transactions	555.92	(857.28)
Repayment of lease liability	(2,427.89)	(2,388.81)
Dividend paid	(36,831.31)	(19,244.36)
Dividend distribution tax paid	–	(3,955.74)
Interest paid	(1,542.87)	(4,492.53)
Net cash flows from financing activities (C)	(40,521.13)	(30,910.00)
<b>D. Net Increase in Cash &amp; Cash Equivalents (A)+(B)+(C)</b>	(13,812.00)	(15,384.63)
Cash and cash equivalent at the beginning of the Year	86,682.14	102,066.77
Cash and cash equivalent at the end of the Year	72,870.14	86,682.14

Cash and Cash Equivalents' include earmarked funds of ₹ 37749.10 lakhs as on March 31, 2021

Corporate overview and Significant Accounting Policies	1-2
Notes to the Financial Statements	3-62

The accompanying notes are an integral part of these financial statements

As per our report attached	For and on behalf of Board of Directors	
For <b>M/s Elias George and Co.,</b> Chartered Accountants (Firm Registration No. 000801S)	<b>SYAMKAMAL N</b> Company Secretary	<b>BEJOY BHASKER</b> Director (Technical) (DIN 08103825)
<b>CHIRAG J SHAH</b> Partner (Membership No. 214798)	<b>JOSE V J</b> Director (Finance) & Chief Financial Officer (DIN 08444440)	<b>MADHU S NAIR</b> Chairman and Managing Director (DIN 07376798)
Kochi June 11, 2021	Kochi June 11, 2021	



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2021

A. Equity Share Capital

As at 01.04.2020		Changes in equity share capital during the year		As at 31.03.2021
13,154.04		0.00		13,154.04
As at 01.04.2019		Changes in equity share capital during the year		As at 31.03.2020
13,154.04		0.00		13,154.04

B. Other Equity

	Reserves and Surplus						Other Comprehensive Income	Total attributable to the Parent Company	Attributable to NCI	Total other equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Debenture Redemption Reserve				
Balance as at April 01, 2020	263.56	93152.32	6322.75	245373.48	12353.76	1668.44		359134.31		359134.31
Changes in accounting policy or prior period errors										0.00
Restated balance at the beginning of the reporting period	263.56	93152.32	6322.75	245373.48	12353.76	1668.44				0.00
Profit for the year				60866.44				60866.44		60866.44
Other comprehensive income for the year				307.57			90.60	398.17		398.17
Total comprehensive income for the year				61174.01	0.00	0.00	90.60	61264.61		61264.61
Dividends (including taxes)				(36831.31)				(36831.31)		(36831.31)
Amortisation of premium		(0.12)						(0.12)		(0.12)
Acquisition of subsidiary	6623.59							6623.59		6623.59
Balance as at March 31,2021	6887.15	93152.20	6322.75	269716.18	12353.76	1668.44	90.60	390191.08	0.00	390191.08

Refer Note 20 for further details

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2021

B. Other Equity (Contd..)

	Reserves and Surplus						Other Comprehensive Income	Total attributable to the Company	Attributable to NCI	Total other equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Debenture Redemption Reserve				
							Effective portion of Cash Flow Hedges			
Balance as at April 01, 2019	263.56	93152.45	6322.75	206093.22	12353.76	1524.27		319710.00	527.73	320237.73
Profit for the year				63200.99				63200.99	0.00	63200.99
Other comprehensive income for the year				(596.84)				(596.84)	0.00	(596.84)
Total comprehensive income for the year				62604.15				62604.15		62604.15
Dividends (including taxes)				(23200.10)				(23200.10)		(23200.10)
Transfer from retained earnings				(144.17)		144.17		0.00		0.00
Amortisation of premium		(0.12)						(0.12)		(0.12)
Stamp Duty				(1.27)				(1.27)		(1.27)
NCI transfer to Retained Earnings				21.65				21.65	(21.65)	0.00
Acquisition of NCI								0.00	(506.08)	(506.08)
Balance as at March 31,2020	263.56	93152.33	6322.75	245373.48	12353.76	1668.44	0.00	359112.67	0.00	359134.31

Refer Note 20 for further details

As per our report attached  
For **M/s Elias George and Co.,**  
Chartered Accountants  
(Firm Registration No. 000801S)

**CHIRAG J SHAH**  
Partner  
(Membership No. 214798)

Kochi  
June 11, 2021

For and on behalf of Board of Directors

**SYAMKAMAL N**  
Company Secretary

**JOSEV J**  
Director (Finance) & Chief Financial Officer  
(DIN 08444440)

Kochi  
June 11, 2021

**BEJOY BHASKER**  
Director (Technical)  
(DIN 08103825)

**MADHU S NAIR**  
Chairman and Managing Director  
(DIN 07376798)

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## 1. CORPORATE OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

### 1.1. Corporate information

Cochin Shipyard Limited (referred to as “CSL” or “the Group”) is mainly engaged in the construction of vessels and repairs and refits of all types of vessels including upgradation of ships periodical layup repairs and life extension of ships.

The Group is a public limited Group incorporated and domiciled in India. The address of its corporate office is Perumanoor, Kochi, Kerala. As at March 31, 2021, the Government of India holds 72.86% of the Group’s equity share capital. The Group’s equity shares are listed for trading on NSE Limited and BSE Limited in India and tax free bonds are listed for trading on BSE.

The consolidated financial statements relate to Cochin Shipyard Limited (Parent Group) and its Subsidiary Groups, Hooghly Cochin Shipyard Limited and Tebma Shipyards Ltd..

The Group and its Subsidiary are together referred to as “Group”.

The consolidated financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorised for issue on Jun 11, 2021.

Details of Subsidiary Groups	Share holding
Hooghly Cochin Shipyard Ltd. incorporated on October 23, 2017 is proposed to be mainly engaged in the business of construction and repair of vessels of all types. (hereinafter referred to as HCSL)	100%
Tebma Shipyards Limited (TSL), acquired on September 15, 2020 through NCLT process, is proposed to be mainly engaged in the business of construction and repair of vessels of all types (hereinafter referred to as TSL).	100%

## 2. Significant Accounting Policies

### 2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards

(referred to as “Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other Accounting Principles generally accepted in India.

### 2.2 Basis of preparation of consolidated financial statements

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### 2.2.1 Basis of consolidation of consolidated financial statements

Subsidiaries are entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated commencing from the date on which control is transferred to the Group until the date on which control ceases.

The Group consolidate the consolidated financial statements of the parent and its subsidiaries on line by line basis adding together like items of assets, liabilities, equity, income and expenses. InterGroup transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet respectively.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

### 2.2.2 Business Combinations

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Purchase consideration in excess of the Company’s interest in the acquiree’s net fair value of identifiable assets and liabilities is recognised as goodwill. Excess of the Company’s interest in the net fair value of the acquiree’s identifiable assets and liabilities over the purchase consideration is recognised in the Capital Reserve. Acquisition related transaction costs are recognised as expense in the statement of profit and loss as and when incurred.

### 2.3 Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the consolidated financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### 2.4 Critical Accounting estimates and judgements:

The application of significant accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in the consolidated financial statements have been disclosed below:

### Useful lives of property, plant and equipment

The Group reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. Assumptions are also made as to whether an item meets the description of asset so as to warrant its capitalisation and which component of the asset may be capitalised. Reassessment of life may result in change in depreciation expense in future periods.

### Valuation of deferred tax assets / liabilities

The Group reviews the carrying amount of deferred tax assets / liabilities at the end of each reporting period. Significant judgements are involved in determining the elements of deferred tax items.

### Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgements in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee’s option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset’s economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

### Impairment of unquoted investments

The Group reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

### Recognition and measurement of provisions

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources and on past experience and circumstance known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in provisions.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

### Provision towards Guarantee repairs

A provision is made towards guarantee repairs/claims in respect of newly built ships/small crafts delivered and repaired ships on the basis of the technical estimation done by the Group. The guarantee claims received from the ship owners are reviewed every year till settlement of the same. In case of a shortfall in the provision made earlier, additional provisions are made.

### Contingencies and commitments

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or it cannot be measured with sufficient reliability. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

### Recoverability of advances / receivables

The Group makes provisions for expected credit loss based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and expenses on account of provision for doubtful debts in the period in which such estimate has been changed. At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

### Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

### Provision for inventories

Management reviews the inventory ageing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realisable value. The purpose is to ascertain whether a provision is required to be made in the consolidated financial statements for any obsolete and slow-moving items and that adequate provision for obsolete and slow-moving inventories has been made in the consolidated financial statements.

### Liquidated Damages

Claims for liquidated damages against the Group are recognized in the financial statements based on the management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.

### Revenue Recognition

The Group exercises significant judgement in measuring progress of performance obligations satisfied over time for recognition of revenue from contracts with customers. Provision for estimated losses if any, on the uncompleted part of the contracts are provided in the period in which such losses become probable based on the expected contract estimates at the reporting date. Claims for liquidated damages against the Group are recognized based on the management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.

### Recognition and measurement of defined benefit obligations

The obligation arising from 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.

### 2.5 Property , Plant and Equipment (PPE)

The parent company had applied for the one time transition exemption of considering the carrying cost on the transition

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

date i.e. April 1, 2015 as the deemed cost under Ind AS 16. Hence the same is regarded thereafter as historical cost .However in case of TSL (subsidiary), fair value has been adopted as deemed cost on the transition date to IndAS.

Property,Plant and Equipments are stated at cost less accumulated depreciation (other than free hold land which are stated at cost) and impairment losses, if any. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management including non refundable duties and taxes net of any trade discounts and rebates. The cost of PPE also includes interest on borrowings (borrowing cost directly attributable to acquisition, construction or production of qualifying assets) upto initial recognition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the items are material and can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

### 2.6 Capital work in progress and intangible assets under development:

Capital work in progress and intangible assets under development are property, plant and equipment that are not yet ready for their intended use at the reporting date, which are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

### 2.7 Intangible Assets

**Design development:** Cost incurred on Design Development which are not directly chargeable on a product are capitalized as Intangible Asset and amortised on a straight-line basis over a period of five years.

**Software:** Cost of software which is not an integral part of the related hardware acquired for internal use is capitalised as intangible asset and amortised on a straight-line basis over a period of three years.

**Right to use:** Up- front fee paid for securing right to use of land and other facility is capitalized as intangible asset and amortised on a straight line basis over the period of lease for which the right has been obtained.

**Internally generated procedure:** Cost of internally generated weld procedure is capitalized as Intangible Asset and amortised on a straight-line basis over a period of three years.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 2.8 Leases

Indian Accounting Standard (Ind AS 116) "Leases" became effective from April 01, 2019 and the Group has adopted the same using modified retrospective transition method, where at the date of initial application, the lease liability is measured at the present value of remaining lease payments and the right-of-use assets are initially recognised at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. Accordingly, the comparatives have not been retrospectively adjusted.

### As a Lessee:

The Group's lease asset classes primarily consist of leases for Land and Buildings. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a lease liability and a corresponding right-of-use ("RoU") asset for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Group



# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

recognises the lease payments as an operating expense on a straightline basis or another systematic basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and RoU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**As a lessor:**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis or another systematic basis over the term of the relevant lease .The difference between the amount recognised as lease rental income and actual cashflows receivable as per the lease agreement is adjusted in (“Accrued Lease Rental asset”).

**2.9 Investment Properties**

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and

impairment losses. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss.

**2.10 Depreciation**

Depreciation on property, plant and equipment is provided on straight-line method based on useful life of the asset as prescribed in Schedule II to the Companies Act, 2013 except to the extent described below.

For the assets acquired from Cochin Port Trust for International Ship Repair Facility (ISRF),depreciation is provided on the basis of remaining useful life as assessed by technical experts. Right Of Use assets/Assets on leased premises are depreciated from the commencement date on a straight line basis over the shorter of the end of the useful life of the Right Of Use asset/ Assets on leased premises or the end of the lease term.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain/loss arising on derecognition of the asset is included in the Statement of profit and loss when the asset is derecognised. Fully depreciated assets still in use are retained in consolidated financial statements at residual value .

Depreciation method, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for certain types of buildings and equipments wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act. Useful life considered for calculation of depreciation for various asset classes are as follows:

Asset Class	Useful Life
Buildings	3-60 years
Plant and equipment	5-15 years
Furniture and fixtures	8-10 years
Vehicles	8-10 years
Office equipment	3-10 years

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

Asset Class	Useful Life
Data Processing Equipments	3-6 years
Docks and quays	15 years
Railway sidings	15 years
Electrical installation	10 years
Drainage and water supply	15 years
Vessels	13-28 years

**2.11 Impairment of Assets**

The Group assesses the impairment of assets with reference to each cash generating unit, at each Balance Sheet date. If events or changes in circumstances based on internal and external factors indicate that the carrying value may not be recoverable in full, the loss on account and the recoverable amount, is accounted for accordingly. The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use.

**2.12 Non-current assets held for sale**

Group classifies a non-current asset as held for sale if its carrying amount will be recovered principally through a sale transaction. This condition is regarded as met only when the asset is available for immediate sale in its present condition and its sale is highly probable.

Non-current assets including discontinued operations, classified as held for sale are measured at the lower of the carrying amounts and fair value less costs to sell and presented separately in the consolidated financial statements. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item in statement of profit and loss.

**2.13 Inventories**

(a) Raw materials, components, stores and spares are valued at weighted average cost method or net realisable value whichever is lower. However materials and other supplies held for use in the production / services are not written down below cost if the finished products/supply of services in which they will be incorporated are expected to be sold at or above cost. Provision for obsolescence / non- usability /

deterioration is determined on the basis of technical assessment made by the management. Goods in transit are valued at lower of cost and net realisable value. Stock of materials in respect of construction of defence vessels wherein the cost incurred is reimbursed by the owner are shown as reduction from the advances paid by the owner for construction of the vessel.

- (b) Loose tools in stock are valued at cost after providing for loss on revaluation estimated at 30% of book value.
- (c) Stock of scrap is valued at net realizable value after adjusting customs duty, if any, payable on the scrap.

**2.14 Financial instruments**

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**Financial assets at Fair Value through other comprehensive income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

**Financial assets at Fair Value through statement of profit and loss (FVTPL)**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## Investments

All equity investments in scope of Ind AS 109 Financial Instruments, are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

Investment in preference shares/debentures of the subsidiaries are treated as equity instruments if the same are convertible into equity shares . Investment in preference shares/debentures not meeting the aforesaid condition is classified as debt instruments at amortised cost.

Investment in a ‘debt instrument’ is measured at the amortised cost if both the following conditions are met: The asset is held within a business model whose objective is -

- (1) To hold assets for collecting contractual cash flows, and
- (2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the Effective Interest Rate (EIR). The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

## Trade Receivables

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as contract asset.

A receivable is a right to consideration that is unconditional and only the passage of time is required before the payment of that consideration is due.

The Group assesses at each Balance Sheet date whether a financial asset or a group of financial asset is impaired. Ind AS 109 requires expected credit loss to be measured through a loss allowance.

The Group recognises lifetime expected credit losses for all trade receivables that do not constitute a financing transaction. Impairment loss allowance is based on a simplified approach as permitted by Ind AS 109. As a practical expedient, the Group uses a provision matrix to determine the impairment loss on the portfolio of its trade receivables.

Full provision is made for all trade receivables considered doubtful of recovery when the debt is more than three years or if it is probable / certain that the debt is not recoverable.

Where debts are disputed in legal proceedings, provision is made if any decision is given against the Group even if the same is taken up on appeal to higher authorities/courts.

Impairment loss allowance (or reversal) that is required to be recognised at the reporting date is recognised as an impairment loss or gain in the Statement of Profit & Loss Account.

## Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

## Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest rate method.

## Equity Instruments

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recognised at the proceeds received net of direct issue cost.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in consolidated financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## Foreign Currency Transactions

### Functional & Presentation Currency

The consolidated financial statements are presented in Indian Rupees (“INR”), which is the functional currency and presentation currency of the Group.

### Transactions & Balances:

Foreign exchange transactions are recorded in functional currency adopting the exchange rate prevailing on the dates of respective transactions. Monetary items denominated in foreign currencies at the year end are re-measured at the exchange rate prevailing on the balance sheet date. Non monetary foreign currency items are carried at cost. Any income or expense on account of exchange difference either on settlement or on restatement is recognised in the statement of Profit and Loss.

### Derivative instruments and hedge accounting:

The Group designates certain foreign exchange forward contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges.

The use of foreign currency derivative contracts is governed by the Company’s foreign exchange risk management policy approved by the Board of Directors which provide written principles on the use of such financial derivatives consistent with the Company’s risk management strategy. The company does not use derivative financial instruments for speculative purposes.

The hedge instruments are designated and documented as hedges at the inception of the contract. The effectiveness of hedge instruments to reduce the risk associated with the foreign currency exposure that is being hedged is assessed and measured at inception and on an ongoing basis at fair value.

The effective portion of change in the fair value of the designated hedging instrument is recognised in the Other Comprehensive Income and accumulated under the heading cash flow hedge reserve.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting. Any gain or loss recognised in Other Comprehensive Income and accumulated in equity till that time remains and is recognised in Statement of Profit and Loss when the forecasted transaction ultimately affects the profit or loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of Profit and Loss.

## 2.15 Contract Assets

Where the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Group presents the contract as a contract asset. A contract asset is Group’s right to consideration in exchange for goods or services that the Group has transferred to a customer. Contract assets are reviewed for impairment in accordance with Ind AS 109.

## 2.16 Contract Liabilities

Where the Group receives consideration, or the Group has a right to an amount of consideration that is unconditional (ie a receivable), before the Group transfers a good or service to the customer, the Group presents the contract as a contract liability when the payment is made or the payment is due (whichever is earlier). A contract liability is Group’s obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

## 2.17 Provisions, Contingent Liabilities and Contingent assets

A provision is recognised if, as a result of a past event, the Group has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions (excluding retirement benefits and compensated leave) are not discounted to its present value and are determined by the best estimate of the outflow of economic benefits

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

required to settle the obligation at the reporting date. These are reviewed at each reporting date adjusted to reflect the current best estimates.

Provision towards guarantee claims in respect of ships/ small crafts delivered wherever provided/ maintained is based on technical estimation. For the ships delivered, guarantee claims are covered by way of insurance policies covering the guarantee period on case to case basis, wherever required.

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Group. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, the Group treats them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the consolidated financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, Group does not expect them to have a materially adverse impact on our financial position or profitability. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Group does not recognize a contingent asset but discloses its existence in the financial statements where an inflow of economic benefits is probable.

## 2.18 Revenue Recognition

### a) Revenue from Operations

Effective April 1, 2018, the Group has adopted Ind AS115 “Revenue from Contracts with Customers”. In respect of contracts that were not completed on the date of initial application (April 1, 2018), the Group has applied the standard retrospectively by recognizing the cumulative effect of applying the same at the effective date, as an adjustment to the Opening balance of Retained earnings and accordingly figures for earlier years have not been retrospectively adjusted.

Revenue from contracts with customers is measured based on transaction price, which is the fair value of consideration received or receivable. Revenue is recognized when the Group satisfies performance

obligations by transferring promised goods and services to the customer over a period of time using output method based on measurement of physical performance completed to date in respect of contracts with customers for ship building and ship repair other than Indigenous Aircraft Carrier (IAC).

In respect of contract with Indian Navy for construction of Indigenous Aircraft Carrier, which is partly ‘fixed price basis’ and partly ‘cost plus basis’, the revenue from fixed price portion is recognized as explained above. The revenue by way of mark up from cost plus part of the contract for procuring and supply of materials and design outsourcing is recognized when performance obligations as per the terms of the contract are fulfilled upon making payments to the suppliers. The cost of materials, value of design outsourcing and other expenses incurred for the vessel which are recoverable separately from Navy are charged off to the statement of Profit and Loss when materials are consumed/ activities are performed/ expenses are incurred and are simultaneously grossed up with the value of work done and recognized as income.

Other Operating Revenue is recognized at the point of time when the Group satisfies performance obligations by transferring promised goods and services to the customer except in the case of Ship Building Financial Assistance (SBFA) which is recognised over a period of time being output method based on measurement of physical performance completed to date in respect of contracts which are eligible under SBFA policy. Management fee is also recognised over a period of time.

In circumstances, where the Group may not be able to reasonably measure the outcome of a performance obligation, but the Group expects to recover the costs incurred in satisfying the performance obligation, the Group recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation. Where current estimates of total contract costs and revenue indicate a loss, provision is made for the entire loss, irrespective of the amount of work done.

Contract modifications are accounted when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

the services added to an existing contract are distinct and whether the pricing is at the stand alone selling price. Where the goods or services added are not distinct, adjustment to revenue is made on a cumulative catch up basis. Where the goods or services added are distinct, and such additional goods or services are priced at standalone selling prices, the contract modification is accounted for as a separate contract; whereas if the modification is not priced at standalone selling price, the same is accounted as a termination of the existing contract and creation of a new contract.

If the consideration promised in a contract includes variable amounts like discounts, rebates, refunds, credits, price concessions, liquidated damages or other similar items, the Group estimates the net amount of consideration to which the Group is entitled in exchange for transferring the promised goods or services to a customer and accounts for the same.

## b) Other income

### i) Government Grants

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses, the related costs for which the grants are intended to compensate. Where the Grant relates to an asset value, it is recognised as deferred income, and amortised over the expected useful life of the asset. Other grants are recognised in the statement of Profit & Loss concurrent to the expenses to which such grants relate/ are intended to cover.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in statement of profit & loss in the period in which they become receivable. Ship Building Financial Assistance is accounted as revenue from operations in the manner specified in para (a).

### ii) Liquidated damages and interest on advances

No income is recognized on (a) interest on advances given and (b) liquidated damages, where the levies depend on decisions regarding force majeure condition of contract. These are accounted for on completion of contracts and / or when final decisions are taken.

In the case of contracts entered into for execution of capital works having long gestation period, where the extant commercial terms of the contract provides for provision of extending interest bearing mobilisation advance to the service provider for mobilising various resources for timely execution, mobilisation advances are paid and interest is accounted on accrual basis.

### iii) Accounting for insurance claims

#### (i) Warranty/Builder Risk claims

In the case of guarantee defects covered under warranty insurance policies or claims under Insurance Policies taken for ship building and ship repair works, the insurance claims lodged are recognized in the financial statements in the year in which the survey is completed and the probable amount of settlement intimated by the insurance Company.

#### (ii) Other Insurance Policies

In the case of other Insurance Policies like Asset Insurance, Transit Insurance, Marine Insurance, Cash Insurance etc., the claims are recognized in the the financial statements on settlement of the claims by way of receipt of the amount from the Insurance Company.

In the case of Medical insurance, claims are recognized on due basis, based on the claims submitted with the insurance Company.

#### iv) Others

Dividend income is recognized when the Group’s right to receive payment has been established.



# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## 2.19 Employee benefits

Employee benefits consist of salaries and wages, contribution to provident fund, superannuation fund, gratuity fund, towards medical assistance, which are short term in nature and contribution towards compensated absences , which is long term in nature.

### Post-employment benefit plans

#### Defined Contribution plans

In respect of parent company ,defined contribution to Employees Pension scheme for eligible employees are made to CSL Superannuation Pension Trust for Executives and Supervisors and CSL Workmen Pension Trust and are charged as expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made.

The parent company also makes contribution towards provident fund, in substance a defined contribution retirement benefit plan. The provident fund is administered by the Trustees of the Cochin Shipyard Limited Employees Contributory Provident Fund Trust. The rules of the Group's provident fund administered by the Trust, require that if the Board of Trustees are unable to pay interest at the rate declared by the Employees' Provident Fund by the Government under para 60 of the Employees' Provident Fund Scheme, 1952 for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the company. The deficiency, if any assessed by the parent company is provided for in the accounts.

The parent company also makes contribution towards Employees Medical Assistance Trusts which are charged as expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made.

In resepct of subsidiaries ,contributions to Providend Fund are made to the Regional Providend Fund Commisioner and are charged to the Profit and Loss account. The Company has no further obligations for future Providend Fund benefits other than its monthly contributions.

#### Defined benefit plans

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The liability or asset recognised in the balance sheet in respect of its defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated periodically by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have terms approximating the terms of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability or asset is recognised in the Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

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.

### Other employee benefits

#### Compensated absences

The Group has a policy on compensated absence which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absence is determined by Actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absence is recognised in the period in which the absences occur.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## 2.20 Borrowing cost

General and specific borrowing costs directly attributable to acquisition/ construction or production of qualifying assets (net of income earned on temporary deployment of funds) are capitalized as part of cost of such assets upto the date when such assets are ready for the intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 2.21 Corporate Social Responsibility

The Corporate Social responsibility (CSR) expenditure is charged to the Statement of Profit & Loss in the period in which it is incurred, except to the extent the Company decides to carry forward any amount in excess of the minimum required CSR expenditure for adjustment in future years in terms of Sec 135(5) of the Companies Act 2013 read with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

## 2.22 Prior period adjustment

Prior period adjustments due to errors, having material impact on the financial affairs of the Group, are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

## 2.23 Taxes on Income

### Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

### Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

### Deferred tax

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## 2.24 Earnings Per Share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. The Group did not have any potentially dilutive securities in any of the years presented.

## 2.25 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group’s chief operating decision maker is the Chairman & Managing Director.

The Group has identified business segments (industry practice) as reportable segments. The business segments comprise: 1) Ship Building and 2) Repair of Ships/offshore structures.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

## 2.26 Consolidated Statement of cash flows

Cash Flows are reported using the Indirect Method, whereby profit/loss before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financial cash flows. Cash flows from operating, investing and financial activities of the Group are segregated based on the available information.

For the purpose of statement of cash flow, Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less (other than lien marked deposits), which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts, if any. Bank overdrafts, if any, are disclosed within borrowings in current liabilities in the Balance Sheet.

## 2.27 Dividend to equity shareholders

Dividend to equity shareholders is recognised as a liability and deducted from shareholders’ equity, in the period in which the dividends are approved by the equity shareholders in the general meeting.In the case of interim dividends,recognition is done in the period in which the same is recommended and approved by Board of the Company.

## 2.28 Recent pronouncements

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company and its subsidiaries will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 3 : Property, Plant and Equipment

Particulars	Gross carrying amount				Depreciation			Net Carrying amount		
	As at 1st April 2020	On Acquisition of Subsidiary	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st Mar 2021	As at 1st April 2020	On Acquisition of Subsidiary	For the year (withdrawal)	As at 31st Mar 2021	As at 31st Mar 2020
<b>Owned Assets</b>										
Land (Freehold)	587.54	2,607.87	-	-	3,195.41	-	-	-	3,195.41	587.54
Buildings	13,832.24	2,060.41	2,773.63	-	18,666.28	2,459.26	141.29	588.70	15,477.03	11,372.98
Plant and equipment	18,909.92	4,657.45	1,170.61	0.61	24,737.37	7,076.66	817.11	2,118.52	10,011.90	14,725.47
Furniture and fixtures	1,237.82	20.06	147.17	2.22	1,402.83	485.80	7.76	116.71	608.72	794.11
Vehicles	599.11	7.33	13.67	0.04	620.07	256.49	-	56.34	312.81	307.26
Office equipment	382.21	19.42	94.13	0.66	495.10	172.09	5.70	59.80	237.18	257.92
Others	-	-	-	-	-	-	-	-	-	210.12
Data Processing Equipments	1,345.71	17.26	490.01	7.88	1,845.10	833.47	8.49	251.28	1,087.94	757.16
Docks and quays	4,466.45	-	-	-	4,466.45	1,542.55	-	299.41	1,841.96	2,624.49
Railway sidings	1.10	-	-	-	1.10	-	-	-	-	1.10
Electrical installation	1,765.00	-	66.03	-	1,831.03	864.80	-	117.37	982.17	848.86
Drainage and water supply	6.67	-	-	-	6.67	-	-	-	-	6.67
Vessels	19.74	-	-	-	19.74	5.72	-	1.36	7.08	12.66
<b>Sub Total</b>	<b>43,153.51</b>	<b>9,389.80</b>	<b>4,755.25</b>	<b>11.41</b>	<b>57,287.15</b>	<b>13,696.84</b>	<b>980.35</b>	<b>3,609.49</b>	<b>18,279.01</b>	<b>29,456.67</b>
<b>Assets on leased premises</b>										
Buildings	2,105.50	1,830.40	87.85	-	4,023.75	441.45	562.03	287.60	1,291.08	2,732.67
Plant and equipment	518.62	-	136.03	-	654.65	74.20	-	35.17	109.37	545.28
Docks and quays	9.62	-	-	-	9.62	8.35	-	-	8.35	1.27
Electrical installation	360.77	-	39.49	-	400.26	132.06	-	37.58	169.64	230.62
SUP WAY	-	1,108.00	(0.00)	-	1,108.00	-	340.21	113.19	453.40	654.60
<b>Sub Total</b>	<b>2,994.51</b>	<b>2,938.40</b>	<b>263.37</b>	<b>-</b>	<b>6,196.28</b>	<b>656.06</b>	<b>902.24</b>	<b>473.54</b>	<b>2,031.84</b>	<b>4,164.44</b>
<b>Right Of Use Assets</b>										
Right of Use - Land	39,550.14	95.90	228.91	-	39,874.95	1,360.32	12.93	1,378.87	2,752.12	37,122.83
Right of Use - Buildings	98.11	74.96	-	-	173.07	35.36	-	35.29	70.65	102.42
<b>Sub Total</b>	<b>39,648.25</b>	<b>95.90</b>	<b>303.87</b>	<b>-</b>	<b>40,048.02</b>	<b>1,395.68</b>	<b>12.93</b>	<b>1,414.16</b>	<b>2,822.77</b>	<b>37,225.25</b>
<b>Total</b>	<b>85,796.27</b>	<b>12,424.10</b>	<b>5,322.49</b>	<b>11.41</b>	<b>103,531.45</b>	<b>15,748.58</b>	<b>1,895.52</b>	<b>5,497.19</b>	<b>23,133.62</b>	<b>80,397.83</b>

Note 3 : Property, Plant and Equipment (Contd..)

Particulars	Gross carrying amount				Depreciation				Net Carrying amount		(₹ in lakhs)
	As at 1st April 2019	On Acquisition of Subsidiary	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st Mar 2020	On Acquisition of Subsidiary	For the year (withdrawal)	Adjustment/ (withdrawal)	As at 31st Mar 2020	As at 31st March 2019	
Owned Assets											
Land (Freehold)	587.54		-	-	587.54	-	-	-	-	587.54	587.54
Buildings	13,476.97		355.27	-	13,832.24	1,929.32	529.94	-	2,459.26	11,372.98	11,547.65
Plant and equipment	18,115.83		795.16	1.07	18,909.92	5,591.53	1,485.68	0.55	7,076.66	11,833.26	12,524.30
Furniture and fixtures	1,113.59		125.88	1.65	1,237.82	372.42	114.30	0.92	485.80	752.02	741.17
Vehicles	515.38		83.73	-	599.11	203.19	53.30	-	256.49	342.62	312.19
Office equipment	234.56		149.06	1.41	382.21	133.98	39.28	1.17	172.09	210.12	100.58
Others	-					-					
Data Processing Equipments	923.71		422.79	0.79	1,345.71	670.02	164.17	0.72	833.47	512.24	253.69
Docks and quays	4,466.45		-	-	4,466.45	1,243.14	299.41	-	1,542.55	2,923.90	3,223.31
Railway sidings	1.10		-	-	1.10	-	-	-	-	1.10	1.10
Electrical installation	1,725.64		39.36	-	1,765.00	732.10	132.70	-	864.80	900.20	993.54
Drainage and water supply	6.67		-	-	6.67	-	-	-	-	6.67	6.67
Vessels	19.74		-	-	19.74	4.36	1.36	-	5.72	14.02	15.38
Sub Total	41,187.18		1,971.25	4.92	43,153.51	10,880.06	2,820.14	3.36	13,696.84	29,456.67	30,307.12
Assets on leased premises											
Buildings	848.99		1,260.35	3.84	2,105.50	333.80	110.60	2.95	441.45	1,664.05	515.19
Plant and equipment	316.00		202.75	0.13	518.62	50.28	23.96	0.04	74.20	444.42	265.72
Docks and quays	9.62		-	-	9.62	8.35	-	-	8.35	1.27	1.27
Electrical installation	331.57		29.20	-	360.77	97.28	34.78	-	132.06	228.71	234.29
Sub Total	1,506.18		1,492.30	3.97	2,994.51	489.71	169.34	2.99	656.06	2,338.45	1,016.47
Right Of Use Assets											
Right of Use - Land			39,550.14		39,550.14		1,360.32		1,360.32	38,189.82	
Right of Use - Buildings			98.11		98.11		35.36		35.36	62.75	
Sub Total	-		39,648.25	-	39,648.25	-	1,395.68	-	1,395.68	38,252.57	-
Total	42,693.36		43,111.80	8.89	85,796.27	11,369.77	4,385.16	6.35	15,748.58	70,047.69	31,323.59

Notes to the Consolidated Financial Statements for the year ended 31st March, 2021

Note 3 : Property, Plant and Equipment (Contd..)

Freehold Land of parent company includes the value of (a) land allotted on lease basis to (i) Bharatiya Vidya Bhavan (0.69045 hectare) (ii) M/s Indian Oil Corporation Ltd (0.620 hectare) for laying pipeline (iii) land leased to M/s Cochin Air Products (0.30 hectare) and (b) land leased to Kerala State Electricity Board (0.47 hectare).

Value of land includes value of buildings acquired along with the land for which depreciation has not been provided as the value is not separately available and most of these buildings are likely to be demolished for putting up facilities for the factory.

Assets taken over from Cochin Port Trust (CoPT) (₹ 1291.52 lakhs) have been valued and life assessed by technical experts. This life has been taken as a base for arriving at the remaining useful life for providing depreciation for these assets. These assets together with assets constructed/installed on land taken on lease from CoPT, Mumbai Port Trust (MbPT) and Kolkata Port Trust (KoPT) have been disclosed separately as assets on leased premises in the note no 3 to Property, Plant & Equipments.

The Company has created mortgage for ₹ 12300 Lakhs on the landed properties of the Company as security for the tax free bonds issued by the Company during the year 2013-14.

Revaluation of assets of TSL (subsidiary) was carried out as part of take over dated 15th September 2020. All categories of assets were revalued and life was assessed by technical experts. This life has been taken as a base for arriving at the remaining useful life for providing depreciation for these assets.

TSL (subsidiary) has entered into agreements with Kundapura Port & Govt of Karnataka for lands taken on lease at Malpe and Hangarkatta. The lease agreement for land at Malpe will expire in 2023, while the lease period for Hangarkatta land has already expired in 2019. Discussions are currently underway with the Government of Karnataka to renew the lease licenses. Meanwhile Company paid during the year an amount of ₹ 20.51 Lakhs towards Malpe lease rent and ₹ 1.86 lakhs towards Hangarkatta Lease rent. Ind AS 116 is applied only for Malpe leasehold land.

Assets of TSL (subsidiary) which cannot be detached and transported for alternate use (“Non Removable Assets”) constructed on leasehold land at Malpe yard are amortized/ depreciated over the lower of the period of lease and useful life of those assets.

Also the value of Land at Kulpi (Kolkata- 2.31 cents) and 0.78 cents of land at Hangarkatta have not been recognized in accounts of TSL due to pending verification & valuation of the same.

Note 4 : Capital work -in -progress

Particulars	(₹ in Lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Plant and machinery, Buildings and Civil works	98,419.10	75,687.89
Capital yard items	5,371.20	1,126.50
Project Management fees and miscellaneous capital expenditure	11,317.23	3,104.75
Goods in Transit	2,477.66	6.26
<b>Total</b>	<b>117,585.19</b>	<b>79,925.40</b>



Particulars	Gross carrying amount					Amortisation			Net Carrying amount		
	As at 1st April 2020	On Acquisition of Subsidiary	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st Mar 2021	As at 1st April 2020	On Acquisition of Subsidiary	For the year	Adjustment/ (withdrawal)	As at 31st Mar 2021	As at 31st March 2020
Internally generated weld procedure	27.67	-	-	-	27.67	27.67	-	-	-	27.67	-
Computer software	1,495.14	-	70.02	-	1,565.16	1,366.57	-	76.65	-	1,443.22	128.57
Right to use - land and ship repair facility (ISRF)	7,000.00	-	-	-	7,000.00	1,162.99	-	210.34	-	1,373.33	5,837.01
Tally Software	0.53	-	-	-	0.53	0.01	-	0.17	-	0.18	0.52
Leased land at Nazirgunge (5.31 Acres)- Right to use	118.94	-	-	-	118.94	2.22	-	1.98	-	4.20	116.72
Leased land at Nazirgunge (10.45 Acres)- Right to use	234.07	-	-	-	234.07	2.98	-	3.96	-	6.94	231.09
Leased Land at Salkia (9.91 Acres) -Right to use	-	-	221.99	-	221.99	-	-	4.09	-	4.09	217.90
Right to Use - land (Malpe)	-	16.68	-	-	16.68	-	5.32	2.40	-	7.72	8.96
Total	8,876.35	16.68	292.01	-	9,185.04	2,562.44	5.32	299.59	-	2,867.35	6,313.91

(₹ in lakhs)

Particulars	Gross carrying amount					Amortisation			Net Carrying amount		
	As at 1st April 2019	On Acquisition of Subsidiary	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st Mar 2020	As at 1st April 2019	On Acquisition of Subsidiary	For the year	Adjustment/ (withdrawal)	As at 31st Mar 2020	As at 31st March 2019
Internally generated weld procedure	27.67	-	-	-	27.67	27.67	-	-	-	27.67	-
Computer software	1,396.74	-	98.40	-	1,495.14	1,283.41	-	83.16	-	1,366.57	113.33
Right to use - land and ship repair facility	7,000.00	-	-	-	7,000.00	952.65	-	210.34	-	1,162.99	6,047.35
Tally Software	-	-	0.53	-	0.53	-	-	0.01	-	0.01	0.52
Leased land at Nazirgunge (5.31 Acres)- Right to use	118.94	-	-	-	118.94	0.24	-	1.98	-	2.22	118.70
Leased land at Nazirgunge (10.45 Acres)- Right to use	-	-	234.07	-	234.07	-	-	2.98	-	2.98	231.09
Total	8,543.35	-	333.00	-	8,876.35	2,263.97	-	298.47	-	2,562.44	6,313.91

(₹ in lakhs)

The Right to use of land and ship repair facility shown under Intangible Assets represents the upfront fee paid to Cochin Port Trust towards setting up of International Ship Repair Facility (ISRF) project, to be amortised over the period of lease which was further extended based on the date of obtaining of Environmental Clearance. As all environmental clearances for ISRF are obtained as on January 09, 2018, the lease period of 30 years effectively starts from this date.

The Right of use of land shown under Intangible Assets of TSL subsidiary represents the upfront fee paid to Port Officer Kundapura towards using Malpe leasehold land, which is amortised over the lease period.

# Notes to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 6 : Investments-Non Current

Particulars	(₹ in Lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Unquoted (Fully Paid up)		
Investment in equity instruments		
At Fair Value Through Other Comprehensive Income		
Cochin Shipyards Employees Consumer Co-operative Society Limited 2175 'B Class' shares of ₹ 100 each	2.18	2.18
Kerala Enviro Infrastructure Limited - 70000 equity shares of ₹10 each	7.00	7.00
Cochin Waste to Energy Private Limited -100000 equity shares of ₹10 each	-	-
Total	9.18	9.18
Aggregate value of unquoted investment	9.18	9.18

Considering the indicators of the value of an investment such as investee's assets, results etc. a decline, other than temporary, in the value of investment in Cochin Waste to Energy (P) Ltd is noticed and accordingly fair value is considered as Nil.

## Note 7: Loans - Non Current

Particulars	(₹ in Lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good:		
(a) Security deposits	71.49	65.71
(b) Other Loans		
Employee advances		
Loans to related parties	0.00	0.00
Other employees	291.60	42.84
Total	363.09	108.55

No significant increase in credit risk or credit impairment

## Note 8: Other Financial Assets - Non Current

Particulars	(₹ in Lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Ship Building Financial Assistance Scheme Subsidy	4,255.65	835.57
Accrued Lease Rental Asset	29.75	28.93
Total	4,285.40	864.50

Govt. of India approved a Financial Assistance Policy for Indian Shipyards on 9th December 2015 for grant of financial assistance to Indian Shipyards for shipbuilding contracts signed between April 1, 2016 to March 31, 2026. Recognition of revenue for this Assistance is based on measurement of physical performance of vessels under subsidy, completed to date.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 9: Income tax assets / liability (net)

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Non current tax assets</b>		
Income Tax Assets net of provisions	3,917.02	6,025.42
<b>Current tax assets / (liabilities)</b>		
Advance income tax net of provisions	(7,309.64)	(1,155.45)
<b>Tax Deducted at source</b>	<b>-</b>	<b>44.52</b>

### Income tax recognised in the Statement of profit and loss

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Current tax:</b>		
Current income tax charge	24,372.08	23,895.75
Adjustment in respect of prior years	(1,078.88)	(3,260.92)
<b>Total (A)</b>	<b>23,293.20</b>	<b>20,634.83</b>
<b>Deferred tax:</b>		
In respect of current year	(3,346.84)	1,936.18
<b>Total (B)</b>	<b>(3,346.84)</b>	<b>1,936.18</b>
Income tax expense recognised in the Statement of Profit and Loss (A+B)	19,946.36	22,571.01

### The income tax expense for the year can be reconciled to the accounting profit as follows:-

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Profit before tax	80,812.80	85,772.00
Income tax expense calculated at respective applicable rates	20,338.97	21,730.70
Effect of expenses that are not deductible in determining taxable profit	7,830.83	5,916.60
Effect of expenses that are allowable in determining taxable profit	(4,089.02)	(4,131.73)
Effect of expenses incurred on Corporate Social Responsibility not deductible in determining taxable profit	374.25	319.87
Set off of carried forward business losses	(133.35)	
Others	50.40	60.31
	<b>24,372.08</b>	<b>23,895.75</b>
Adjustments recognised in the current year in relation to the current tax of prior years	(1,078.88)	(3,260.92)
Adjustments for changes in estimates of deferred tax assets	(3,346.84)	1,936.18
<b>Income tax expense recognised in the Statement of Profit and Loss</b>	<b>19,946.36</b>	<b>22,571.01</b>

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 10: Deferred tax assets (net)

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred tax liabilities	(3,500.25)	(2,787.39)
Deferred tax assets	15,525.19	7,485.97
<b>Total</b>	<b>12,024.94</b>	<b>4,698.58</b>

### Deferred tax liabilities/(assets) in relation to 2020-21

(₹ in Lakhs)				
Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in Statement of Equity	Closing Balance
Provisions	(6,425.48)	(2,568.00)	(325.00)	(9,318.48)
Property, plant and equipment	2,813.16	(274.74)	971.29	3,509.71
Carry forward losses	-	133.39	(4,625.81)	(4,492.42)
Intangible assets	(28.88)	11.02		(17.86)
Others	(1,057.38)	(648.51)	0.00	(1,705.89)
<b>Total</b>	<b>(4,698.58)</b>	<b>(3,346.84)</b>	<b>(3,979.52)</b>	<b>(12,024.94)</b>

### Deferred tax liabilities/(assets) in relation to 2019-20

(₹ in Lakhs)				
Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in Statement of Equity	Closing Balance
Provisions	(9,508.70)	3,083.22	0.00	(6,425.48)
Property, plant and equipment	3,959.20	(1,146.04)	0.00	2,813.16
Intangible assets	(56.94)	28.06	0.00	(28.88)
Others	(1,028.32)	(29.06)	0.00	(1,057.38)
<b>Total</b>	<b>(6,634.76)</b>	<b>1,936.18</b>	<b>-</b>	<b>(4,698.58)</b>

## Note 11: Other non-current assets

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured, considered good</b>		
Capital advances	20,887.66	28,817.72
Advances other than capital advances:		
Security deposits	249.56	222.67
Advance lease rentals	37.75	38.41
Deposits with Customs department	261.22	261.22
Other long term advances		429.39
Subsidy Receivable	179.36	
Less : Provision for Subsidy receivable	(179.36)	
<b>Total</b>	<b>21,436.19</b>	<b>29,769.41</b>

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

Deposit with Custom Department of ₹ 261.22 lakhs pertains to a refund appeal lying before Commissioner (Appeals) to cover a liability in respect of customs duty which is also shown as Payable to Chennai Port Trust under Note No. 22- Other Financial Liabilities- Non Current.

The subsidy amount receivable is calculated as per the Ship Building Subsidy Scheme issued by the Ministry of Ports, Shipping and Waterways, Government of India vide Press Note (2003).

## Note 12 : Inventories

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw Materials and components*	43,431.69	28,145.83
Less : Provision for obsolescence, non-usability, deterioration and reduction in value of inventory	(2,981.71)	(391.39)
Goods-in transit*	994.01	1,964.10
	<b>41,443.99</b>	<b>29,718.54</b>
Stores & Spares*	714.45	780.18
Less : Provision for obsolescence, non-usability, deterioration and reduction in value of inventory	(11.61)	(17.06)
Goods-in transit*	393.16	37.33
	<b>1,096.00</b>	<b>800.45</b>
Loose Tools*	658.82	680.55
Scrap*	211.51	141.77
<b>Total</b>	<b>43,410.32</b>	<b>31,341.31</b>

\* Valuation of inventories is done in accordance with Accounting Policy no. 2.13 given in Note no.2

- (i) Inventory does not include stock of raw materials and bought out components procured under “Cost Plus” part of the IAC contract amounting to ₹ 14757.40 lakhs (previous year ₹ 32838.80 lakhs) held on behalf of Indian Navy lying with the Company and is adjusted against Advances from Indian Navy for Indigenous Aircraft Carrier.
- (ii) Maintenance spares included in the inventory represent spares of general nature and are not related to a particular asset.

## Note 13 : Trade Receivables-Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured</b>		
<b>Considered good:</b>		
Trade Receivables considered good - Unsecured	35,336.95	28,823.21
Trade Receivables which have significant increase in Credit Risk	10,215.58	13,588.08
Less: Allowance for Expected credit loss	(10,215.58)	(13,588.08)
Trade Receivables - Credit impaired	–	–
<b>Total</b>	<b>35,336.95</b>	<b>28,823.21</b>

Trade receivables are non-interest bearing and receivable in normal operating cycle.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Movement in the expected credit loss allowance

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Opening balance</b>	13,588.08	13,123.16
Add: Provision made/transfer during the year	672.78	4,149.68
Less: Amount collected/reversal of provision	4,045.28	3,684.76
<b>Closing Balance</b>	<b>10,215.58</b>	<b>13,588.08</b>

## Note 14 : Cash and Cash equivalents

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance with Banks		
In current account	10,944.37	6,145.94
In current account on behalf of Indian Navy	37,749.10	3,641.02
In current account out of IPO Proceeds	–	5.04
Term deposits with original maturity of less than three months	24,176.67	23,833.98
Term deposits with original maturity of less than three months out of IPO Proceeds	–	8,485.71
Term deposits with original maturity of less than three months earmarked for objects of IPO	–	44,570.45
<b>Total</b>	<b>72,870.14</b>	<b>86,682.14</b>

Funds received from Indian Navy for the construction of Indigenous Aircraft Carrier are held in a separate account and is separately disclosed.

## Note 15 : Bank balances other than cash and cash equivalents

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Lien Marked Term deposits with original maturity of less than three months*	62,262.58	18,993.08
Term Deposits with banks with original maturity more than 3 months and less than 12 months**	793.76	57,180.19
Term Deposits with banks with original maturity more than 3 months and less than 12 months out of IPO Proceeds	–	5,050.00
Term Deposits with banks with original maturity more than 3 months and less than 12 months earmarked for objects of IPO	84,929.09	51,597.00
Earmarked balances (Unpaid Dividend account)	37.76	20.00
<b>Total</b>	<b>148,023.19</b>	<b>132,840.27</b>

\*Deposits with banks with maturity less than three months represents lien marked deposits in favour of Union Bank of India for maintaining cash margin towards the Non-Fund based credit facilities granted to the Company.

\*\*Deposits with banks with maturity upto 12 months, include ₹93.01 lakhs ( previous year ₹ 87.34 lakhs) lien marked in favour of The Registrar of High Court of Kerala.



# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 16 : Loans - Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured, considered good</b>		
Employee advances		
Loans to related parties	–	–
Other employees	57.20	30.97
<b>Total</b>	<b>57.20</b>	<b>30.97</b>

No significant increase in credit risk or credit impairment

## Note 17 : Other Financial Assets - Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest accrued on fixed deposits	1,378.53	3,129.36
Interest accrued on employee advances		
Related parties	–	–
Other employees	17.43	15.99
Foreign Exchange Derivatives Assets	178.28	–
<b>Total</b>	<b>1,574.24</b>	<b>3,145.35</b>

## Note 18 : Other Current Assets

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured advances</b>		
<b>Advances other than capital advances</b>		
Advances to related party	0.39	0.84
Other advances	21,068.21	11,520.97
Advances considered doubtful	0.07	0.07
	<b>21,068.67</b>	<b>11,521.88</b>
Less: Provision for doubtful advances	0.07	0.07
	<b>21,068.60</b>	<b>11,521.81</b>
<b>Others</b>		
Contract Assets for IAC works	49,677.10	60,570.53
Contract Assets for other works	45,461.76	30,980.80
Balance with Sales Tax department and CBEC	290.66	474.80
Miscellaneous deposits	19.14	17.26
Prepaid expenditure	350.18	469.67
Input Tax Credit on GST	85,599.59	54,341.77
Other Receivables	24.17	
Miscellaneous current assets	1,819.87	1,625.49
<b>Total</b>	<b>204,311.07</b>	<b>160,002.12</b>

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 19 : Equity Share Capital

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number	₹ in lakhs	Number	₹ in lakhs
<b>Authorised</b>				
Equity shares of ₹ 10/- each	250000000	25,000.00	250000000	25,000.00
<b>Issued, Subscribed and Fully paid up</b>				
Equity shares of ₹ 10 each fully paid up	131540390	13,154.04	131540390	13,154.04
<b>Total</b>	<b>131540390</b>	<b>13,154.04</b>	<b>131540390</b>	<b>13,154.04</b>

### 19.1 Reconciliation of number of shares and amounts outstanding

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number	₹ in lakhs	Number	₹ in lakhs
Equity Shares outstanding at the beginning of the year	131540390	13,154.04	131540390	13,154.04
Add : shares issued during the year	0	0.00	0	0.00
Less : Shares bought back during the year	0	0.00	0	0.00
<b>Equity Shares outstanding at the end of the year</b>	<b>131540390</b>	<b>13154.04</b>	<b>131540390</b>	<b>13,154.04</b>

Terms & Rights attached to Equity shares: The Company has only one class of equity shares having a face value of ₹10 per share which is fully paid up. Equity shareholders are eligible for one vote per share held, and are entitled to dividends as and when declared by the Company. Interim dividend is paid as and when declared by the Board. Final dividend proposed by the Board of Directors is subject to approval/regularisation by the share holders in the Annual General meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

### 19.2 Details of shareholders holding more than 5% shares in the company

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of Shares held	% of holding	Number of Shares held	% of holding
The President of India	95843464	72.86	95843464	72.86
Nippon Life India Ltd (Formerly Reliance Capital Trustee Co. Ltd).	–	–	10795352	8.21

During 2019-20, Govt of India had transferred 3090978 equity shares (aggregating to 2.35% of paid up capital) on Feb 3,2020 to the Asset Management Company , Nippon Life India Ltd formerly known as Reliance Capital Trustee Company Ltd through the Department of Investment and Public Asset Mangement (DIPAM) in connection with the issue of CPSE ETF FFO - 6 and in accordance with the SEBI Regulations ,1996 and other applicable laws,rules and regulations as framed from time to time

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 20 : Other Equity

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital Reserves	6,887.15	263.56
Capital Redemption Reserve	12,353.76	12,353.76
Securities Premium	93,152.20	93,152.33
Debenture Redemption Reserve	1,668.44	1,668.44
General Reserve	6,322.75	6,322.75
Cash flow Hedge reserve	90.60	–
Retained Earnings	269,716.18	245,373.48
<b>Total</b>	<b>390,191.08</b>	<b>359,134.31</b>

### Movement of each item in Other Equity is detailed in Statement of Changes in Equity

**Capital Reserve:** Capital reserve includes ₹ 263.56 lakhs being restoration charges received from Ms Indian Oil Corporation Ltd for laying pipe line through the Company’s land.It also includes gain on acquisition of subsidiary M/s Tebma Shipyards Limited as explained below.

The National Company Law Tribunal (NCLT), Chennai on March 04, 2020, approved the Resolution Plan submitted by holding company for acquisition of Tebma Shipyards Limited (TSL) which was undergoing Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016 (IBC). In compliance with the NCLT Order, holding company paid the bid amount for takeover of TSL on September 15, 2020 with effect from which date TSL has become a wholly owned subsidiary of CSL. Accordingly, the excess of the Company’s interest in the net fair value of the acquiree’s identifiable assets and liabilities over the purchase consideration is recognised, in the Capital Reserve.

(₹ in Lakhs)				
Particulars	Carrying value as at acquisition date	Fair Value Adjustments	Purchase Price Allocated	Capital Reserve
Net Assets acquired (including cash and cash equivalents)	13123.59	0	6500.00	6623.59

Major components of net assets acquired include Property, Plant and Equipment ₹ 10528.58 Lakhs and Deferred Tax Assets ₹3979.52 Lakhs

**Capital Redemption Reserve:** Capital Redemption Reserve of ₹ 12353.76 lakhs includes ₹ 11914.20 lakhs being reserves created on redemption of preference shares and ₹ 439.56 lakhs being a sum equal to the nominal value of the shares bought back, which will be utilised for the purpose defined under the Companies Act 2013.

**Securities Premium:** Premium on tax free bonds is amortised on straight line basis over the period of bonds. The company had completed the Initial Public Offer (IPO) during 2017-18 and had allotted 22656000 equity shares of ₹ 10 each at premium ( ₹ 93929.76 lakhs). Expenses incurred net of deferred tax adjustment towards such allotment of shares amounting ₹ 777.93 lakhs has been debited in Securities Premium in accordance with the requirements of Indian Accounting Standard (Ind AS) 32- Financial Instruments.

**Debenture Redemption Reserve:** The Company was hitherto creating Debenture Redemption Reserve at 25% of the value of bonds issued by the company over the maturity period of such debentures in accordance with Section 71(4) of the Companies Act, 2013 read with Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014 and as per SEBI (Issue and Listing of Debt Securities) Regulations, 2008. As per the amendment made to the Companies (Share Capital and Debentures) Rules, 2014 notified vide Notification No. G.S.R. 574(E) by the Ministry of Corporate Affairs, the company is not required to create Debenture Redemption Reserves in respect of the bonds issued by it. However, the Debenture Redemption Reserve already created up to 30.09.2019, ₹ 1668.44 Lakhs, shall be retained in the books till the time of redemption of the bonds.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

**Cash flow Hedge Reserve:** Cash flow hedge reserve represents the effective portion of change in the fair value of designated hedging instruments recognised in the Other Comprehensive Income. (Refer Note No.42)

**Interim dividend :**During the year, the Company paid interim dividends of ₹ 9 per equity share of face value of ₹10 and ₹ 4 per equity share of face value of ₹ 10, as recommended at the board meetings held on 04 Jan 2021 and 12 Feb 2021 respectively.

**Proposed dividend :**The Board of Directors of the Company have recommended a final dividend of ₹ 2.50 per equity share of face value of ₹ 10 for the financial year ended March 31, 2021 at the Board meeting held on June 11, 2021.

## Note 21: Borrowings

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Bonds - (Secured)		
<b>At amortised cost</b>		
Tax Free Redeemable Non Convertible Bonds -Series 2013-14	12,300.00	12,300.00
<b>Total</b>	<b>12,300.00</b>	<b>12,300.00</b>

### Tax Free Infrastructure Bond Series 2013-14

- a) **Tranche 1:** 1000 bonds of face value of ₹10 lakhs totalling ₹10000 lakhs with interest rate of 8.51% payable annually , redeemable at par, due for redemption on 02nd December 2023
- b) **Tranche 2:** 230 bonds of face value of ₹10 lakhs totalling ₹ 2300 lakhs with interest rate of 8.72% payable annually, redeemable at par, due for redemption on 28th March 2029 .

These bonds are secured against the landed properties of the Company admeasuring 197.12 ares (487.00 cents) made up of 34.30 ares in Sy No. 713/11, 23.57 ares in Sy No. 713/12, 59.12 ares in Sy No. 713/13, 50.18 ares in Sy No. 714/06, 10.12 ares in Sy No. 714/2, 8.90 ares in Sy No. 714/4 and 10.93 ares in Sy No. 714/5 of land all are lying contiguously in Elamkulam village, Kanayannur taluk, Ernakulam Dist, Kerala.

**Utilisation :** Out of the issue proceeds of ₹12300 lakhs received, the Company has fully utilised/adjusted funds towards various expenditure incurred on International Ship Repair Facility (ISRF) project.

Difference between carrying amounts and fair values of financial liabilities of borrowings is not significant in each of the year presented.

## Note 22: Other Financial liabilities - Non Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Payable to Chennai Port Trust	261.22	261.22
Lease Liabilities under Ind AS 116	39,099.47	37,325.69
<b>Total</b>	<b>39,360.69</b>	<b>37,586.91</b>

Liability of ₹ 261.22 lakhs to Chennai Port Trust in respect of customs duty is covered by a refund appeal lying before Commissioner (Appeals) which is also shown as deposits with Customs department under Note No. 11

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 23: Provisions - Non Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits - Compensated absences (Refer Note No 33)	3,161.39	2,872.20
<b>Total</b>	<b>3,161.39</b>	<b>2,872.20</b>

## Note 24: Other non current liabilities

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred Income arising from Government Assistance	10.30	11.45
<b>Total</b>	<b>10.30</b>	<b>11.45</b>

## Note 25 : Trade Payables

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Trade payables (Unsecured)</b>		
Outstanding dues of Micro enterprises and Small enterprises	1,527.88	686.52
Outstanding dues of creditors other than Micro enterprises and Small enterprises	42,015.54	41,185.27
<b>Total</b>	<b>43,543.42</b>	<b>41,871.79</b>

To the extent, the Company has received intimation from the vendors regarding their status under the Micro,Small and Medium Enterprises Development Act, 2006, the details of trade payables are provided as under:

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Amount remaining unpaid to supplier at the end of each accounting year;		
Principal	1,527.88	686.52
Interest on above Principal	—	—
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act,2006 (27 of 2006), along with the amount of the payment made to supplier beyond the appointed day during each accounting year;		
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act,2006;	—	—
The amount of interest accrued and remaining unpaid at the end of each accounting year	—	—
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act,2006;	—	—

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 26 : Other Financial Liabilities - Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest accrued but not due	281.98	281.95
Unpaid Dividend	37.76	20.00
Lease Liabilities	2,564.67	2,833.72
Foreign Exchange Derivatives Liabilities	57.21	—
Others		
Security and other deposits	9,431.56	3,434.08
Others Payables	12,911.55	11,231.73
<b>Total</b>	<b>25,284.73</b>	<b>17,801.48</b>

## Note 27 : Other Current Liabilities

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Contract Liability for other works	160,155.13	113,330.88
Advances for other ship building contracts	114.21	114.21
Advances for ship repair and others	644.24	586.08
Income received in advance	26.46	25.33
Statutory dues	3,336.91	2,040.63
Deferred Income arising from Government Assistance	1.14	1.14
<b>Total</b>	<b>164,278.09</b>	<b>116,098.27</b>

Refer Note No 40 on Ind AS 115 “Revenue from Contract with Customers”

Cost of infrastructure facilities which has been met out of funds from Navy and adjusted by Indian Navy, till date.

(₹ in Lakhs)		
Details	As at 31st March, 2021	As at 31st March, 2020
Buildings and other civil works	13,763.77	11,507.56
Data processing equipment	1,338.51	1,324.01
Furniture and Office equipments	386.75	383.62
Plant and machinery	16,885.70	16,842.12
<b>Total</b>	<b>32,374.73</b>	<b>30,057.31</b>



# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 28 : Provisions - Current

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Provision for Employee benefits</b>		
Gratuity	272.09	1,048.51
Compensated absences (Refer Note No 33)	515.45	533.22
	<b>787.54</b>	<b>1,581.73</b>
<b>Other Provisions</b>		
Provision for Taxes and duties	2,662.17	209.12
Provision for Ship building loss	11,658.00	5,287.00
Provision for Expenditure / contingencies	38,218.55	31,608.78
	<b>52,538.72</b>	<b>37,104.90</b>
<b>Total</b>	<b>53,326.26</b>	<b>38,686.63</b>

### 28.1 Details of movement of provisions

(₹ in Lakhs)					
Particulars	As at 01.04.2020	Provision made during the period	Amounts used during the period	Unused amounts reversed during the period	As at 31.03.2021
Provision for employee benefits- Gratuity	1,048.51	272.09	(1,048.51)		272.09
Compensated absences	533.22	–	(17.77)		515.45
Provision for taxes and duties	209.12	2,560.12	(107.07)		2,662.17
Provision for shipbuilding loss	5,287.00	6,371.26	(0.26)		11,658.00
Provision for expenditure / contingencies	31,608.78	34,765.74	(25,716.40)	(2,439.57)	38,218.55

(₹ in Lakhs)					
Particulars	As at 01.04.2019	Provision made during the period	Amounts used during the period	Unused amounts reversed during the period	As at 31.03.2020
Provision for employee benefits- Gratuity	607.90	440.61	–	–	1,048.51
Compensated absences	464.29	68.93	–	–	533.22
Others	2,997.00	–	(2,997.00)	–	–
Provision for taxes and duties	211.61	0.17	(2.66)	–	209.12
Provision for shipbuilding loss	205.00	5,287.00	–	(205.00)	5,287.00
Provision for expenditure / contingencies	32,446.62	30,332.54	(26,117.27)	(5,053.11)	31,608.78

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 29 : Revenue from operations

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Sale of products</b>		
Ship building:		
Indigenous Aircraft Carrier (IAC)	200925.37	237746.87
Vessels other than IAC	35831.94	46206.78
	<b>236,757.31</b>	<b>283,953.65</b>
<b>Sale of services</b>		
Ship repairs	40850.24	56856.75
Engineering works	5.50	0.00
	<b>40,855.74</b>	<b>56,856.75</b>
<b>Other operating revenue</b>		
Sale of stock items	–	–
Ship Building Financial Assistance	3420.09	835.57
Sale of scrap	544.23	603.42
Management fee from A&N Administration	312.33	–
	<b>4,276.65</b>	<b>1,438.99</b>
<b>Total</b>	<b>281,889.70</b>	<b>342,249.39</b>

Refer Note No 40 on Ind AS 115 “Revenue from Contract with Customers”

The Company has considered the lock down period due to COVID 19 & GoI circular dated May 13, 2020, which ever is applicable to the projects and Kerala Flood natural calamity 2018 as Force Majeure period for computation of Liquidated Damages while calculating Revenue from operations.

Govt. of India approved a Financial Assistance Policy for Indian Shipyards on 9th December 2015 for grant of financial assistance to Indian Shipyards for shipbuilding contracts signed between April 1, 2016 to March 31, 2026. Recognition of revenue for this Assistance is based on measurement of physical performance of vessels under subsidy, completed to date.

Cochin Shipyard Ltd (CSL) has entered into an Agreement with the Andaman and Nicobar Administration to commence its operations at Marine Dockyard, at Port Blair, a facility that is currently being operated directly by the A&N Administration. Management fee on pro rata basis is accounted based on this agreement. Under the ambit of this Agreement signed on 28 Nov 2019, CSL shall assist the Administration to set up a Ship repair ecosystem at A&N islands. CSL shall also associate in Augmentation and Modernisation of the facility and also focus efforts towards Skill Development in the Islands in consultation with the Administration and Technical Institutions located in the Islands.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 30 : Other Income

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Training facilities	106.27	304.29
Income from sale of scrap and stores	85.90	246.42
Profit on sale of fixed assets	–	–
Income from laboratory services	12.94	33.77
Rent received	261.26	305.55
Hire charges received	1.10	5.90
Interest on bank deposits	8,750.56	14,885.29
Interest from others	1,595.94	1,611.73
Dividend income from Preference shares	0.00	–
Dividend income from equity investments/ Mutual Funds	0.89	0.89
Profit on sale of Mutual Funds	–	235.30
Net gain on foreign currency transactions	404.65	–
Net gain on derivative contracts	123.99	–
Provision no longer required	4,365.45	5,159.25
Miscellaneous income	3,338.24	1,719.74
Income from Charter Hire	35.48	
<b>Total</b>	<b>19,082.67</b>	<b>24,508.13</b>

Miscellaneous income includes ₹ 1.14 lakhs being deferred government assistance in the form of subsidy relating to installation of Solar Power plant inside the yard. The same has been accounted as per the requirements of Ind AS 20 - Accounting for Government Grants and Disclosure of Government Assistance.

## Note 31 : Cost of Materials Consumed

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Raw Materials</b>		
Steel	3,965.41	5,760.00
Pipe	966.05	798.84
Paint	1,312.48	1,495.32
Bought out components	115,737.88	171,545.66
<b>Total</b>	<b>121,981.82</b>	<b>179,599.82</b>

## Note 32 : Sub Contract and Other Direct Expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Sub contract and off loaded jobs	26,544.41	28,818.23
Hull insurance	849.62	530.97
Other direct expenses	6,237.35	7,207.78
<b>Total</b>	<b>33,631.38</b>	<b>36,556.98</b>

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 33 : Employee Benefits Expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries, wages, bonus/exgratia and allowances	25,477.44	26,166.40
Contribution to Provident Fund and Family Pension Fund	1,720.72	2,020.40
Gratuity	345.54	305.67
Staff welfare expenses	1,684.60	2,098.56
<b>Total</b>	<b>29,228.30</b>	<b>30,591.03</b>

Contribution to Provident Fund and Family Pension Fund includes provident fund inspection and administration charges ₹ 19.23 lakhs (previous year ₹20.52 lakhs )

Salaries, Wages, bonus/exgratia and allowances includes provision for encashment of half pay compensated absences for workmen amounting to ₹ 72.62 lakhs (previous year ₹ 512.42 lakhs)

The employee benefits accruing to the employees on deputation from Cochin Port Trust and Mumbai Port Trust are being accounted based on demands received from Cochin Port Trust & Mumbai Port Trust as per tripartite agreement between the Company, Cochin Port Trust & Mumbai Port Trust and the recognised Trade unions of the Port and not based on actuarial valuation except for gratuity which is actuarially valued.

In respect of subsidiaries,contribution towards Provident fund is remitted to Employee Provident Fund Organisation.

### Other Benefit Plan - Compensated absences

The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Discount Rate (p.a)	6.97%	6.66%
Rate of increase in compensation levels	3.00%	3.00%
Attrition Rate- Half Pay Leave	0.70%	0.70%
Attrition Rate- Earned Leave	0.70%	0.70%

Particulars	As at 31st March, 2021	As at 31st March, 2020
Average Duration of Defined Benefit Obligation (In years)	8.23	7.94

Amount recognised in the Statement of Profit and Loss in respect of defined benefit plans are as follows:-

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Service Cost:</b>		
Current Service Cost	244.95	213.89
Net Interest expense	205.06	196.63
Acturial (Gain)/Loss recognised during the period	474.16	767.32
<b>Expenses recognised in the statement of profit and loss</b>	<b>924.17</b>	<b>1177.84</b>

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

The amount included in the Balance Sheet arising from the entity’s obligation in respect of its defined benefit plan is as follows:-

	(₹ in Lakhs)	
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Present Value of Defined Benefit Obligation at end of the year	3676.83	3405.42
Fair Value of Plan Assets at the end of the year	–	–
<b>Net Liabilities /(Assets) recognized in the Balance Sheet</b>	<b>3,676.83</b>	<b>3,405.42</b>

	(₹ in Lakhs)	
Type of Employee Benefit	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Current Component of PVO	515.44	533.22
Non-Current Component of PVO	3161.39	2872.20
<b>TOTAL PVO</b>	<b>3676.83</b>	<b>3405.42</b>

Movements in present value of the defined benefit obligation are as follows:-

	(₹ in Lakhs)	
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Defined Benefit Obligation at beginning of the year	3405.42	2893.00
Current & Past Service Cost	244.95	213.89
Current Interest Cost	205.06	196.63
Actuarial (Gain)/ Loss	474.16	767.32
Benefits paid	(652.76)	(665.42)
<b>Defined Benefit Obligation at end of the year</b>	<b>3,676.83</b>	<b>3,405.42</b>

Movements in the fair value of the plan assets are as follows:

	(₹ in Lakhs)	
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Fair Value of Plan Assets at the beginning of the year	–	–
Expected Return on Plan Assets	–	–
Actuarial (Gain)/ Loss	–	–
Contributions from the employer	652.76	665.42
Benefits paid	(652.76)	(665.42)
<b>Fair Value of the Assets at the end of the year</b>	<b>–</b>	<b>–</b>

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

Expected Contributions in Following Years [mid-year cash flows]

	(₹ in Lakhs)	
Year	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Year 1	87.43	484.41
Year 2	401.76	83.24
Year 3	89.56	203.95
Year 4	74.69	86.45
Year 5	126.07	74.63
Next 5 Years	438.26	472.06

“NA ” denoted “ Not Available”

Expected Benefit Payments in Following Years [mid-year cash flows]

	(₹ in Lakhs)	
Year	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Year 1	87.43	484.41
Year 2	401.76	83.24
Year 3	89.56	203.95
Year 4	74.69	86.45
Year 5	126.07	74.63
Next 5 Years	438.26	472.06

	(₹ in Lakhs)	
Sensitivity Analysis - Half Pay Leave	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A. Discount Rate + 50 BP	7.47%	7.16%
Defined Benefit Obligation [PVO]	2,988.16	355.85
Current Service Cost	128.15	104.81
B. Discount Rate - 50 BP	6.47%	6.16%
Defined Benefit Obligation [PVO]	3,225.63	389.41
Current Service Cost	140.20	113.84
C. Salary Escalation Rate + 50 BP	3.50%	3.50%
Defined Benefit Obligation [PVO]	3,229.92	389.98
Current Service Cost	140.42	113.99
D. Salary Escalation Rate - 50 BP	2.50%	2.50%
Defined Benefit Obligation [PVO]	2,983.37	355.23
Current Service Cost	127.91	104.64

BP denotes “Basis Points”



# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

	(₹ in Lakhs)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Sensitivity Analysis - Earned Leave</b>		
A. Discount Rate + 50 BP	7.47%	7.16%
Defined Benefit Obligation [PVO]	2,988.16	2,927.06
Current Service Cost	128.15	130.04
B. Discount Rate - 50 BP	6.47%	6.16%
Defined Benefit Obligation [PVO]	3,225.63	3,148.26
Current Service Cost	140.20	142.08
C. Salary Escalation Rate + 50 BP	3.50%	3.50%
Defined Benefit Obligation [PVO]	3,229.92	3,151.90
Current Service Cost	140.42	142.28
D. Salary Escalation Rate - 50 BP	2.50%	2.50%
Defined Benefit Obligation [PVO]	2,983.37	2,922.90
Current Service Cost	127.91	129.82

BP denotes “Basis Points”

## Defined Benefit Plan-Gratuity

The principal assumptions used for the purpose of actuarial valuation were as follows (Head office):	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Discount Rate (p.a)	6.97%	6.66%
Rate of increase in compensation levels	3.00%	3.00%
Attrition Rate	0.70%	0.70%
Expected Rate of Return on Plan Asset	6.97%	6.66%

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Average Duration of Defined Benefit Obligations (In years)	8.50	7.21

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

**Amount recognised in the Statement of Profit and Loss/Other comprehensive income in respect of defined benefit plans are as follows:-**

	(₹ in Lakhs)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Particulars</b>		
<b>Service Cost:</b>		
Current Service Cost	252.11	223.48
Past Service Cost	—	—
Net Interest expense	34.92	23.34
<b>Components of defined benefit costs recognised in statement of profit and loss</b>	<b>287.02</b>	<b>246.82</b>
<b>Remeasurement of the net defined benefit liability:</b>		
Actuarial (Gain)/Loss on Plan Obligations	(76.82)	636.50
Difference between Actual Return and Interest income on Plan assets (gain)/loss	(308.94)	165.18
<b>Components of defined benefit costs recognised in Other Comprehensive Income</b>	<b>(385.76)</b>	<b>801.68</b>

**The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-**

	(₹ in Lakhs)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Particulars</b>		
Present Value of Defined Benefit Obligation at end of the year	4,664.16	5,240.37
Less: Fair Value of Plan Assets at the end of the year	4,762.90	4,191.87
Net Liabilities /(Assets) recognized in the Balance Sheet	(98.74)	1,048.50

**Movements in present value of the defined benefit obligation are as follows:-**

	(₹ in Lakhs)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Particulars</b>		
Defined Benefit Obligation at beginning of the year	5,240.37	5,078.89
Current Service Cost	252.11	223.48
Current Interest Cost	313.54	349.80
Past Service Cost	—	—
Actuarial (Gain)/ Loss	(76.82)	636.50
Benefits paid	(1,065.04)	(1,048.30)
<b>Defined Benefit Obligation at end of the year</b>	<b>4,664.16</b>	<b>5,240.37</b>

**Movements in the fair value of the plan assets are as follows:**

	(₹ in Lakhs)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Particulars</b>		
Fair Value of Plan Assets at the beginning of the year	4,191.87	4,471.00
Expected Return on Plan Assets	278.63	326.46
Actuarial Gain/(Loss)	308.94	(165.18)
Contributions from the employer	1,048.51	607.90
Benefits paid	(1,065.04)	(1,048.32)
<b>Fair Value of the Assets at the end of the year</b>	<b>4,762.90</b>	<b>4,191.86</b>

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

Expected Contributions in Following Years [mid-year cash flows]

(₹ in Lakhs)		
Year	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Year 1	NA	NA
Year 2	NA	NA
Year 3	NA	NA
Year 4	NA	NA
Year 5	NA	NA
Next 5 Years	NA	NA

“NA “ denoted “ Not Available”

Expected Benefit Payments in Following Years [mid-year cash flows]

(₹ in Lakhs)		
Year	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Year 1	324.46	1,942.66
Year 2	1,561.59	293.47
Year 3	350.89	698.96
Year 4	261.87	327.89
Year 5	370.83	240.10
Next 5 Years	1,203.18	1,242.55

(₹ in Lakhs)		
Sensitivity Analysis	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A. Discount Rate + 50 BP	7.47%	7.16%
Defined Benefit Obligation [PVO]	4,487.42	5,071.31
Current Service Cost	235.32	236.07
B. Discount Rate - 50 BP	6.47%	6.16%
Defined Benefit Obligation [PVO]	4,855.15	5,423.06
Current Service Cost	269.48	269.81
C. Salary Escalation Rate + 50 BP	3.50%	3.50%
Defined Benefit Obligation [PVO]	4,835.23	5,403.33
Current Service Cost	267.74	267.13
D. Salary Escalation Rate - 50 BP	2.50%	2.50%
Defined Benefit Obligation [PVO]	4,504.03	5,086.36
Current Service Cost	237.00	238.93

BP denotes “Basis Points”

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

MAJOR CATEGORIES OF PLAN ASSETS (As Percentage of Total Plan Assets)	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Government of India Securities	36.77%	29.90%
State Government Securities	27.10%	30.96%
High Quality Corporate Bonds	0.00%	0.00%
Equity shares of listed companies	24.48%	10.90%
Property	0.00%	0.00%
Special Deposit Scheme	0.00%	0.00%
Funds managed by Insurer	0.25%	0.25%
Others (to specify)	11.39%	27.99%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

The plan assets are managed by the Gratuity Trust formed by the Company.

The principal assumptions used for the purpose of actuarial valuation of International Ship Repair Facility (ISRF) and CSL Mumbai Ship Repair Unit (CMSRU) were as follows:	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Discount Rate (p.a)-ISRF	5.65%	6.00%
Discount Rate (p.a)-CMSRU	5.00%	5.70%
Rate of increase in compensation levels	3.00%	3.00%
Attrition Rate	2.00%	2.00%
Expected Rate of Return on Plan Asset	NA	NA

Amount recognised in the Statement of Profit and Loss/Other comprehensive income in respect of defined benefit plans are as follows:-

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Service Cost:</b>		
Current Service Cost	44.24	45.08
Past Service Cost	–	–
Net Interest expense	14.28	13.77
Components of defined benefit costs recognised in statement of profit and loss	<b>58.52</b>	<b>58.85</b>
Remeasurement of the net defined benefit liability:		
Actuarial (Gain)/Loss on Plan Obligations	(25.26)	(4.08)
Difference between Actual Return and Interest income on Plan assets (gain)/loss	–	
<b>Components of defined benefit costs recognised in Other Comprehensive Income</b>	<b>(25.26)</b>	<b>(4.08)</b>

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

The amount included in the Balance Sheet arising from the entity’s obligation in respect of its defined benefit plan is as follows:-

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Present Value of Defined Benefit Obligation at end of the year	272.09	238.83
Less: Fair Value of Plan Assets at the end of the year	–	–
<b>Net Liabilities /(Assets) recognized in the Balance Sheet</b>	<b>272.09</b>	<b>238.83</b>

Movements in present value of the defined benefit obligation are as follows:-

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Defined Benefit Obligation at beginning of the year	238.83	184.06
Current Service Cost	44.24	45.08
Current Interest Cost	14.28	13.77
Past Service Cost	–	–
Actuarial (Gain)/ Loss	(25.26)	(4.08)
Benefits paid	–	–
<b>Defined Benefit Obligation at end of the year</b>	<b>272.09</b>	<b>238.83</b>

ISRF & CMSRU gratuity is self managed by the Company.

Expected Contributions in Following Years [mid-year cash flows]

(₹ in Lakhs)		
Year	ISRF	CMSRU
Year 1	NA	NA
Year 2	NA	NA
Year 3	NA	NA
Year 4	NA	NA
Year 5	NA	NA
Next 5 Years	NA	NA

“NA “ denoted “ Not Available”

Expected Benefit Payments in Following Years [mid-year cash flows]

(₹ in Lakhs)		
Year	ISRF	CMSRU
Year 1	71.07	13.06
Year 2	40.48	6.17
Year 3	15.32	2.23
Year 4	30.73	1.59
Year 5	15.51	0.12
Next 5 Years	71.70	4.09

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

Sensitivity Analysis

Particulars	ISRF	CMSRU
A. Discount Rate + 100 BP	6.65%	6.00%
Defined Benefit Obligation [PVO]	235.97	26.71
Variation	(3.61%)	(2.06%)
B. Discount Rate - 100 BP	4.65%	4.00%
Defined Benefit Obligation [PVO]	254.48	27.87
Variation	3.95%	2.20%
C. Salary Escalation Rate + 100 BP	4.00%	4.00%
Defined Benefit Obligation [PVO]	253.41	27.74
Variation	3.51%	1.73%
D. Salary Escalation Rate - 100 BP	2.00%	2.00%
Defined Benefit Obligation [PVO]	236.82	26.82
Variation	(0.03)	(0.02)

BP denotes “Basis Points”

## Note 34 : Finance Costs

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest expense on lease liabilities	3,583.32	3,439.62
Interest others	491.34	1.35
Interest on tax free bonds	1,051.44	1,051.44
<b>Total</b>	<b>5,126.10</b>	<b>4,492.41</b>

## Note 35 : Depreciation and Amortisation Expense

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Depreciation on property, plant and equipments	4,083.04	2,989.48
Depreciation on RoU Assets	1,414.14	1,395.68
Amortisation of other intangible asset	299.59	298.47
Total	<b>5,796.77</b>	<b>4,683.63</b>
Add : Loss on revaluation of tools	186.31	210.26
<b>Total</b>	<b>5,983.08</b>	<b>4,893.89</b>

COVID-19 pandemic had prompted a lockdown resulting in a temporary disruption of operations of the Company from March 23, 2020 to May 5, 2020. The Company continued to work on a reduced time scale for a significant period of the Quarter I which further effected the financial results of the Company during that quarter. From Quarter II onwards, in order to meet the challenges facing the Company, the Company extended hours of operations by working in two shifts.This has impacted depreciation to the tune of ₹ 388.11 lakhs during the year.



# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 36 : Other Expenses

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Consumption of stores	1,592.62	2,087.39
Consumption of spares	54.51	47.44
Rates and taxes	507.46	21.97
Power	1,942.79	2,156.61
Fuel	1,340.87	792.76
Water	303.95	242.26
Repairs and maintenance:		
Building and roads	457.78	643.18
Plant and machinery	158.23	104.92
Others	1,232.57	1,063.39
Docks	12.18	—
Maintenance dredging	467.32	299.50
Transport and stores handling	170.91	167.05
Travelling and conveyance expenses	497.21	852.51
Printing and stationery	75.92	100.73
Postage, telephone and telex	46.47	64.80
Advertisement and publicity	168.59	507.64
Lease rent	14.82	14.56
Hire charges	288.66	386.62
Insurance charges	744.93	427.26
Security expenses	2,154.69	1,538.30
Payments to Auditors	33.40	26.95
Fee for statutory compliances	2.71	
Training expenses	359.40	624.37
Legal expenses	38.63	58.07
Consultancy	86.86	134.78
Bank charges	699.91	496.31
Net loss on foreign currency transactions	—	502.01
Corporate social responsibility (Refer Note no.48)	1,486.98	1,270.94
Loss on sale/write off of property, plant and equipments	1.25	1.87
Miscellaneous expenses	1,366.55	1,625.42
<b>Total</b>	<b>16,308.17</b>	<b>16,259.61</b>

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Auditors remuneration, Auditors remuneration for other services and Miscellaneous expenses include:

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
For Audit Fees	19.50	14.71
For Limited Review/other services	12.85	7.74
For Certifications	5.90	4.50
<b>Total</b>	<b>38.25</b>	<b>26.95</b>

## Note 37 : Provision for Anticipated Losses and Expenditure

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Provision for:		
Doubtful debts / advances	98.18	3,286.89
Non moving / perpetual inventory verification	2.92	1.98
Expenses and contingencies	2,692.02	220.91
Provision for loss on Ship Building	6,371.00	5,082.00
<b>Total</b>	<b>9,164.12</b>	<b>8,591.78</b>

## Note 38 : Exceptional Items

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Provision for Inventory written back /(Provision for inventory)	188.92	—
Provision for Subsidy Receivable written back / (Provision for subsidy receivable)	1,074.48	—
<b>Total</b>	<b>1,263.40</b>	<b>—</b>

## Note 39 : Earnings per Equity Share

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Net Profit after tax (₹ in lakhs)	60,866.44	63,200.99
Basic and Diluted Earnings Per Share (EPS) ( in ₹ )	<b>46.27</b>	<b>48.05</b>
Face value per share ( in ₹ )	10.00	10.00

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 40: Additional Disclosures under Ind AS 115 - "Revenue from Contract with Customers"

### Disclosures of Disaggregated revenue as per IND AS 115

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Revenue from Contracts with customers</b>		
<b>A. Revenue from goods or services transferred over time</b>		
<b>(i) Sale of products (Including Excise Duty Nil )</b>		
<b>Ship building:</b>		
Indigenous Aircraft Carrier (IAC)	200925.37	237746.87
Vessels other than IAC	35831.94	46206.78
Other operating revenue		
Ship Building Financial Assistance	3420.09	835.57
Management fee	312.33	
<b>(ii) Sale of services</b>		
<b>Ship repairs</b>		
Engineering works	40850.24	56856.75
	5.50	0.00
<b>B. Revenue from goods or services transferred to customers at a point in time</b>		
Other operating revenue		
Sale of Ship Building Scrap	381.88	437.29
Sale of Ship Repair Scrap	162.35	166.13
<b>Total</b>	<b>281889.70</b>	<b>342249.39</b>

### Details of transaction price allocated to unsatisfied/ partially satisfied performance obligations:

Aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period amounts to ₹ 784884.10 lakhs (excluding Cost Plus Part of IAC contract).The amount of transaction price relating to unsatisfied performance obligation that are part of a contract that has an original expected duration of one year or less has not been included in the above disclosure as permitted under Ind AS 115. Further the estimate of the transaction price as above would not include any estimated amounts of variable consideration that are constrained.Management expects that 19.59% of transaction price allocated to unsatisfied/ partially satisfied contracts as of 31.03.2021, as stated above, will be recognised as revenue during FY 2021-22 and the remaining thereafter.

During the year ended March 31,2021 the Company recognised revenue of ₹ 15618.72 lakhs arising from opening Contract Liability as of April 01,2020

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Reconciliation of contracted price with revenue during the year

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Opening contracted price of orders</b>	<b>1504739.51</b>	<b>1176242.66</b>
Add:		
Fresh orders/change orders received (net)	11336.93	341069.70
Increase due to additional consideration including Shipbuilding Financial assistance	1766.45	7920.74
Increase due to exchange rate movements (net)	250.84	1430.22
Less:		
Other deductions including variations, change orders etc.	15654.69	13747.52
Orders completed during the year	6940.80	8176.29
<b>Closing contracted price of orders</b>	<b>1495498.24</b>	<b>1504739.51</b>
Total Revenue recognised during the year:	137551.03	136469.80
Less: Revenue out of orders completed during the year	2613.13	6709.06
Revenue out of orders under execution at the end of the year (I)	134937.90	129760.74
Revenue recognised upto previous year (from orders pending completion at the end of the year) (II)	575676.23	449884.96
Decrease due to exchange rate movements (net) (III)	0.00	0.00
Balance revenue to be recognised in future viz. Order book (IV)	784884.10	925093.81
<b>Closing contracted price of orders (I+II+III+IV)</b>	<b>1495498.24</b>	<b>1504739.51</b>

## Note 41: Additional Disclosures under Ind AS 116-"Leases"

Rent and Hire charges Expense includes expense incurred for the year ended 31.03.2021 relating to Short term leases and leases of low value assets amounting to ₹50.13 lakhs.

Total Cash outflow for leases for the year ended March 31,2021 including outflow for short term and low value leases is ₹2463.53 lakhs.

The Company has lease term extension options that are not reflected in the measurement of lease liabilities.

### The details of the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis are as follows

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Less than one year	2,649.25	2,465.45
One to five years	11,314.36	10,819.77
More than five years	124,865.12	125,971.91
<b>Total</b>	<b>138,828.73</b>	<b>139,257.13</b>

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

The details of the contractual maturities of leased assets as at March 31, 2021 on an undiscounted basis are as follows

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Less than one year	191.23	182.35
One to five years	313.02	465.19
More than five years	287.82	326.87
<b>Total</b>	<b>792.07</b>	<b>974.41</b>

## Note 42: Additional Disclosures for Hedge Accounting

The company enters into foreign exchange derivative 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 the following outstanding forward contracts, which have been designated as Cash Flow Hedges, as on 31 Mar 21:

(₹ in Lakhs)						
Currency	No. of contracts	31-Mar-21		No. of contracts	31-Mar-20	
		Notional amount of contracts	Fair Value Gain/ (Loss)		Notional amount of contracts	Fair Value Gain/ (Loss)
Euro	2	2982.30	(24.62)	–	–	–
NOK	2	4319.34	145.70	–	–	–
<b>Total</b>	<b>4</b>	<b>7301.64</b>	<b>121.08</b>	<b>–</b>	<b>–</b>	<b>–</b>

The movement in Hedge reserve during the year ended 31 Mar 21 for derivatives designated as cash Flow Hedges is as follows:

(₹ in Lakhs)		
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Balance at the beginning of the year Cr/(Dr)	0.00	0.00
Changes in the fair value of effective portion of outstanding cash flow derivatives (Net)	121.08	0.00
<b>Balance at the end of the year</b>	<b>121.08</b>	<b>0.00</b>

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 43: Contingent Liabilities and Commitments

Particulars	As at 31 Mar 2021 (₹ in Lakhs)	As at 31 Mar 2020 (₹ in Lakhs)	Brief Description of the nature and obligation
<b>A CONTINGENT LIABILITY</b> (To the extent not provided for)			
<b>a Guarantees</b>			
i Letters of Credit	12,356.31	13,345.68	Represents Letter of Credit opened by the Company in various banks for procurement of materials/assets
ii Bank Guarantees	353,929.06	272,384.71	
iii Corporate Performance Guarantee to Cochin Port Trust	3,925.00	3,925.00	Performance guarantee given by Company to CoPT for performance of obligations under the contract agreement entered with CoPT during the contract period.
<b>b Other money for which the company is contingently liable</b>			
i Greater Cochin Development Authority (GCDA)	69.06	69.06	Claim raised by GCDA for the land acquired for the Company is settled. However 8 land acquisition revision petition cases (Valued at ₹69.06 lakhs) filed by evictees is pending with the Hon'ble Supreme Court and High Court.
ii Customs duties	17,984.48	21,930.58	Customs duty for materials under Bond and indigenous vessels delivered. Includes an amount of ₹ 69.83 lakhs being Customs duty refund granted by CESTAT, Bangalore, against which an appeal was filed by the Department before the Hon'ble High Court of Kerala. The Hon'ble High Court of Kerala has since disposed off the appeal with a direction to the Department to prefer the appeal before the Hon'ble Supreme Court of India. In absence of any further information on the departmental appeal, the same has been retained as Contingent Liability.
iii Sales Tax/Kerala Value Added Tax	0.00	657.51	2000-01 - ₹ 111.93 Lakhs 2001-02 - ₹ 73.44 Lakhs 2004-05 - ₹ 195.67 Lakhs 2007-08 - ₹ 276.47 Lakhs (Under appeal.) Stay of collection of tax obtained in all cases. Demand reduced to the extent of amount paid and appeal allowed by Deputy Commissioner (Appeals). Cases are settled under Amnesty scheme 2020. Note no. 43.1 (II &III)
	0.00	12.10	VAT credit for the year 1996-97 which has not been considered in the demand, for which no provision exists in the books. Case settled under KVAT Amnesty scheme 2020.
iv Income Tax	2,069.97	2,107.27	Demand relating to Assessment Years: AY 2010-11 - ₹ 457.63 Lakhs AY 2011-12 - ₹ 369.50 Lakhs AY 2014-15 - ₹ 911.07 Lakhs AY 2017-18 - ₹ 331.77 Lakhs Detailed notes in Note no. 43.1 (I)



# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

Particulars		As at 31 Mar 2021 (₹ in Lakhs)	As at 31 Mar 2020 (₹ in Lakhs)	Brief Description of the nature and obligation
v	Service Tax	1,647.47	1,647.47	Demand of Service Tax on IAC (Design Consultancy) as per Show Cause Notice issued. Adjudication pending.
		376.88	376.88	Refund claim of Service Tax on IAC granted by Commissioner (Appeal). However Department filed Appeal before CESTAT against the order of Commissioner(Appeals). Also issued Show Cause Notice on CSL & adjudication pending.
		323.04	323.04	Demand of Service Tax on IAC (Management Fee/Handling Charges) as per Show Cause Notice issued. Adjudication pending.
		2,339.64	2,339.64	Show Cause Notice issued for levy of service tax on ship repair without allowing deduction of materials for which VAT paid and disallowance of Cenvat Credit. Proceedings under the show cause has been dropped vide order no. COC-EXCUS-000-COM-18-17-18 dt 19.03.2018. Department filed appeal to CESTAT.
		1,885.60	1,885.60	Show Cause Notice issued for levy of Service Tax on the repair of vessels owned by UTLA by denying the benefit of Notification No.25/212-ST dt. 20-6-2012 available for the repair of vessels owned by Govt. Departments. Proceedings under the show cause has been dropped vide order no. COC-EXCUS-000-COM-11-17-18 dt 07.03.2018. Department filed appeal to CESTAT.
		513.71	513.71	Show Cause Notice issued for levy of Service Tax on the repair of vessels during FY 2015-16 owned by UTLA by denying the benefit of Notification No.25/212-ST dt. 20-6-2012 available for the repair of vessels owned by Govt. Departments.
		734.93	734.93	Show Cause Notice issued for levy of Service Tax on the repair of vessels during FY 2016-17 owned by UTLA by denying the benefit of Notification No.25/212-ST dt. 20-6-2012 available for the repair of vessels owned by Govt. Departments.
		150.56	79.22	Show Cause Notice issued for levy of service tax on ship repair during the period 2015-16 without allowing deduction of materials for which VAT paid and disallowance of Cenvat Credit. Joint Commissioner vide OIO No.48/2020-ST(JC) dt 31.12.2020 confirmed demand. Appeal filed to Commissioner (Appeals) againt OIO.
		286.85	286.85	Show Cause Notice issued for levy of service tax on ship repair during the period 2016-17 without allowing deduction of materials for which VAT paid and disallowance of Cenvat Credit.
		279.46	279.46	Show Cause Notice issued for non payment of service tax on availing services of persons in non-taxable territory for meeting contractual warranty obligations and on cost of security provided to the transportation of Barge from Cochin to Abu Dhabi.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

Particulars		As at 31 Mar 2021 (₹ in Lakhs)	As at 31 Mar 2020 (₹ in Lakhs)	Brief Description of the nature and obligation
vi	Alekton Engineering Industries Ltd	165.91		The petitioner approached MSME Council for recovery of Liquidation damages with interest deducted by CSL for delay in submission of drawings and supply of goods . MSME Council , Chennai referred to arbitration by Madras High Court Arbitration Centre . Madras High Court Arbitration Centre has appointed Mr. Suhrith Parthsarrathy as the sole arbitrator . Claim petition filed by the petitioner
vii	Employee State Insurance Corporation	17.26	—	Claims towards interest and damages in respect of delayed payments of ESI contributions payable in respect of advanced trainees during the period from June 2010 to Jul 2013. Aggrieved, CSL filed cases I.C No.60/2016, IC No: 09/2020, IC No: 03/2021 challenging the illegality and violation of instructions and the manner in which the claims were preferred by ESI Corporation.
<b>B COMMITMENTS</b> (To the extent not provided for)				
a	Estimated amount of contracts remaining to be executed on capital account and not provided for:	117,275.12	143,692.62	
<b>b Other commitments</b>				
i	Unutilised amount of Initial Public Offer (IPO) proceeds (Pending utilisation amount deposited with various banks in current account and term deposits)	—	4,737.06	Detailed notes in Note no. 44

## Note 43.1. Contingencies And Commitments

### (I) Income Tax Assessments

The Income Tax Assessment of the company have been completed up to AY 2017-18.

Demands raised as per the assessment orders totaling to ₹ 1369.11 lakhs for the Assessment Years 2010-11, 2011-12, 2014-15 and 2017-18 are shown under Contingent Liability pending disposal of the appeals filed before the Commissioner of Income Tax (Appeals). The demands are mainly due to disallowance of certain genuine claims. However the above demands have been adjusted against the refund due for the subsequent years.

For the Assessment years 2010-11 and 2011-12 although the appeals filed before the Commissioner of Income Tax (Appeals) has been disposed in favour of the company, the Income Tax Department has gone for appeal against the order of Commissioner of Income Tax (Appeals) before the ITAT,the amount involved under appeal before the ITAT amounts to ₹700.86 lakhs.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## (II) Sales Tax Assessment under KGST Act

The pending cases are settled under Amnesty scheme 2020, of Govt. of Kerala.

## (III) Sales Tax Assessments under KVAT Act

The pending cases are settled under Amnesty scheme 2020, of Govt. of Kerala.

## Note 44 : The Utilisation of IPO proceeds is summarised below:

(₹ in Lakhs)			
Particulars	IPO proceeds received -Based on Final allotment	Actual cash outflow upto March 31, 2021	Unutilised amount as at March 31, 2021
Setting up of Dry Dock	51000.00*	51000.00	0.00
Setting up of ISRF	26500.00*	26500.00	0.00
General corporate purposes	16523.26	16523.26	0
Issue related expenses (Attributable to the Company)	2172.10**	2172.10	0.00
<b>Total</b>	<b>96195.36</b>	<b>96195.36</b>	<b>0.00</b>

\* As per Prospectus Filed

\*\* Increase in IPO expenditure (₹172.10 lakhs) compared to the estimates is adjusted against amount specified for General Corporate Purpose

## Note 45 :

The dispute between M/s Apeejay Shipping Ltd (formerly known as Surendra Overseas Ltd) and the Company, in the matter of ship 005 was referred for arbitration by the Hon'ble Supreme Court of India. The arbitration award (July 2009) was in favour of the Company under which the Company is to receive ₹2803.64 lakhs from M/s Apeejay Shipping Ltd. The company has filed a petition before Sub Court, Ernakulam for passing a decree. M/s Apeejay Shipping Ltd has moved to the Sub Court to quash the Award of the Umpire and the Company has filed Counter Affidavit against this move. The matter is pending before the court. No credit has been taken in the books of account, pending final decree of the Court.

## Note 46 :

Permanent Machinery for Arbitration, Department of Public Enterprises, Govt. of India, has notified award in favour of the Company in the dispute between the Company and M/s Oil and Natural Gas Corporation Ltd (ONGC) on the Works Contract Tax issue and ONGC has paid to the Company the disputed sum along with interest amounting to ₹ 2642.22 Lakhs as per the award. ONGC has gone on appeal before the Law Secretary, Ministry of Law & Justice against the award. Pending disposal of ONGC appeal, no adjustment has been made in the accounts.

## Note 47 : Litigations

The Company is subject to legal proceedings and claims, in the ordinary course of business. The Company's Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Company's results of operation.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Details of material litigation as on 31 March 2021

M/s. Vigil Marine Services in 2004 raised claims towards Agency Commission payable for winning orders for ATCO Tugs. The arbitration proceedings commenced on 10 Oct 2004. Examination and cross examination of witnesses completed and posted the matter for arguments on 01 and 02 Feb 2014. The Arbitrator completed the proceedings and passed his award directing the Company to pay commission to M/s Vigil Marine Services at the rate of 5% of the ATCO contract value of U S Dollar 18.25 Million with interest @ 8% per annum. Aggrieved on this CSL filed Original Suit No 187/2016 before Sub Court, Ernakulam and obtained an interim order staying execution of the award. However the Company has already provided for the principal amount and interest thereon.

## Note 48 : Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act 2013, CSR committee has been formed by the Company. The areas of CSR activity includes Health Care, Education, Social Empowerment, etc., and those specified in Schedule VII of the Companies Act 2013. The utilisation of CSR funds are done through direct spending as per the recommendations of CSR committee. Details of amount required to be spent and the amount utilised are given below:

(a) Gross amount required to be spent by the Company during the period ended March 31, 2021	₹ 1479.77 Lakhs
(b) Amount spent during the year	₹ 1526.98 Lakhs

(₹ in Lakhs)			
Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	1,280.03	–	1,280.03
(ii) On purposes other than (i) above	246.95	–	246.95

## In case of Sec.135(5) Excess amount spent

(₹ in Lakhs)			
Amount carry forwarded from previous financial years	Amount spent during the year	Amount charged to P&L as CSR expenses	Amount carry forwarded to succeeding financial years
0.00	1526.98	1486.98	40.00

## Note 49 : Related Party disclosure as per Ind AS 24

Related Party	Nature of Relationship	
	2020-21	2019-20
Shri Madhu S Nair Chairman & Managing Director	Key Managerial Personnel	Key Managerial Personnel
Shri Paul Ranjan D (Up to July 31,2019) Director (Finance) & Chief Financial Officer	–	Key Managerial Personnel
Shri Suresh Babu N V Director (Operations)	Key Managerial Personnel	Key Managerial Personnel
Shri Bejoy Bhasker Director (Technical)	Key Managerial Personnel	Key Managerial Personnel
Shri Jose V J (From August 01, 2019) Director (Finance) & Chief Financial Officer	Key Managerial Personnel	Key Managerial Personnel

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

Related Party	Nature of Relationship	
	2020-21	2019-20
Shri Satinder Pal Singh (Upto February 03, 2020) Official Part Time (Nominee) Director, Government of India	–	Key Managerial Personnel
Shri Sanjay Bandopadyaya (From February 03, 2020) Official Part Time (Nominee) Director, Government of India	Key Managerial Personnel	—
Shri K R Jyothilal Official Part Time (Nominee) Director, Government of Kerala	–	Key Managerial Personnel
Smt. Roopa Shekhar Rai (From July 29, 2019 to March 20, 2020) Non Official Part Time (Independent) Director	–	Key Managerial Personnel
Shri Radhakrishna Menon (From July 29, 2019 to March 20, 2020) Non Official Part Time (Independent) Director	–	Key Managerial Personnel
Shri Krishna Das E (From July 29, 2019 to March 20, 2020) Non Official Part Time (Independent) Director	–	Key Managerial Personnel
Shri Jiji Thomson Non Official Part Time (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Pradipta Banerjee (Upto July 14, 2020) Non Official Part Time (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Nanda Kumaran Putezhath (Upto July 14, 2020) Non Official Part Time (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Smt V Kala (Upto January 31, 2020) Company Secretary	–	Key Managerial Personnel
Shri Syamkamal N (From February 01, 2020) Company Secretary	Key Managerial Personnel	Key Managerial Personnel
Shri S Balaji Arunkumar Director (Upto May 29, 2020)	Key Managerial Personnel	Key Managerial Personnel
Shri Rajesh Gopalakrishnan, Chief Executive Officer, HCSL	Key Managerial Personnel	–
Shri.Balakrishnan Poovathra Chief Financial Officer, HCSL (From October 16, 2020)	Key Managerial Personnel	–
Shri Kiran.K.A, Company Secretary, HCSL (From October 16, 2020)	Key Managerial Personnel	–
Shri Harikumar A, Chief Executive Officer, TSL	Key Managerial Personnel	–
Shri Shibu John Chief Financial Officer, TSL (CFO of HCSL upto October 15, 2020 )	Key Managerial Personnel	–
Shri Aswin Sarma M Company Secretary, TSL ( CS of HCSL upto October 15, 2020 )	Key Managerial Personnel	–
Hooghly Cochin Shipyard Limited (Principal place of business:Kolkata)	Subsidiary Company	Subsidiary Company
Tebma Shipyards Limited (Principal place of business:Malpe)	Subsidiary Company	–

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Nature of transaction-Remuneration to Key Managerial Person\*

Particulars	(₹ in Lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Short term benefit	256.83	353.83
Post employment Benefit	34.00	38.89
<b>Total</b>	<b>290.83</b>	<b>392.72</b>

## Nature of transaction-Advances

(₹ in Lakhs)					
Name of Related Party	Opening Balance as on 1/4/2020	Loans/advances Taken during 2020-21	Repayment	Balance as on 31/03/21	Interest accrued as on 31/03/21
SURESH BABU N V	0.20	0.25	0.37	0.08	0.00
BEJOY BHASKER	0.20	0.25	0.37	0.08	0.00
JOSE V J	0.20	0.40	0.49	0.11	0.00
SYAMKAMAL N	0.24	0.40	0.52	0.12	0.00

(₹ in Lakhs)					
Name of Related Party	Opening Balance as on 1/4/2019	Loans/advances Taken during 2019-20	Repayment	Balance as on 31/03/20	Interest accrued as on 31/03/20
MADHU S NAIR	0.00	0.00	0.00	0.00	0.00
PAUL RANJAN D	0.15	0.00	0.15	0.00	0.00
SURESH BABU N V	0.19	0.50	0.49	0.20	0.00
BEJOY BHASKER	0.52	0.50	0.82	0.20	0.00
JOSE V J	0.18	0.50	0.48	0.20	0.00
KALA V	0.15	0.50	0.65	0.00	0.00
SYAMKAMAL N	0.18	0.60	0.54	0.24	0.00

Loan balances have been considered from the year of attaining KMP status.

## Nature of transaction-Sitting Fee to Independent Directors

(₹ in Lakhs)			
Name of the meeting	Jiji Thomson	Nandakumaran Puthezhath	Pradipta Banerji
Board Meeting	0.15	0.15	0.15
Audit Committee	0.15	0.15	0.15
Corporate Social Responsibility Committee	0.15	0.15	
Nomination and Remuneration Committee	0.15	0.15	0.15
Contracts and Capex Committee	0.15	0.15	0.15
<b>Total payment for 2020-21</b>	<b>0.75</b>	<b>0.75</b>	<b>0.60</b>



# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Nature of transaction - Transaction with other related parties

As CSL is a Government company under the control of Ministry of Shipping (MoS), the Company has availed exemption from detailed disclosures prepared under Ind AS 24 with respect to related party transactions with Government and Government related entities.

However, as required under Ind AS 24, following are the individually significant transactions:

## Transactions with Government and Government related entities by the parent company.

Particulars	(₹ in Lakhs)	
	As at March 31,2021	As at March 31,2020
Amount payable to Government of India	234.19	235.40
Amount paid as dividend during the year to Govt. of India	26836.17	14474.11

In addition to the above, around 92.01 % of the companies turnover and 95.98 % (approx) of trade receivables and customer advance is with respect to Government and Government related entities.

## Note 50 : Financial Instruments

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level I inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level II inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level III inputs are unobservable inputs for the asset or liability.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required)

			(₹ in Lakhs)
Financial assets/ financial liabilities	Fair value as at		Fair Value hierarchy
	As at March 31,2021	As at March 31,2020	
Financial Assets			
Non Current			
(i) Investments	9.18	9.18	Level III
(ii) Loans	363.09	108.55	Level II
(iii)Others	4,285.40	864.50	Level II
Current			
(i) Trade Receivables	35,336.95	28,823.21	Level II
(ii)Cash & Cash equivalents	72,870.14	86,682.14	Level II
(iii)Bank Balances other than (ii)	148,023.19	132,840.27	Level II
(iv) Loans	57.20	30.97	Level II
(v)Others	1,574.24	3,145.35	Level II
Total Financial Assets	262,519.39	252,504.17	

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

			(₹ in Lakhs)
Financial assets/ financial liabilities	Fair value as at		Fair Value hierarchy
	As at March 31,2021	As at March 31,2020	
Financial Liabilities			
Non Current			
(i) Borrowings	12,300.00	12,300.00	Level I
(ii) Other financial liabilities	39,360.69	37,586.91	Level II
Current			
(i) Trade Payables	43,543.42	41,871.78	Level II
(ii) Other financial liabilities	25,284.73	17,801.48	Level II
Total Financial Liabilities	120,488.84	109,560.17	

## Note:

- The investments in equity instruments are not held for trading. Instead, they are held for medium or long term strategic purpose. The Company has chosen to designate these investments in equity instruments at FVTOCI(as per Ind AS 109), as the directors believe that this provides a more meaningful presentation of medium or long term strategic investments, than reflecting changes in fair value immediately in profit or loss.

Investments included in level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value.The cost of unquoted investments approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

There were no transfers between Level 1 and 2 in the period.

- Loans, Borrowings are at the market rates and therefore the carrying value is the fair value.
- The carrying amount of trade receivables, trade and other payables and short term loans are considered to be the same as their fair value due to their short term nature.

Difference between carrying amounts and fair values of bank deposits, other financial assets,other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented

## Financial Instruments by category

	(₹ in Lakhs)					
	31st March 2021			31st March 2020		
	FVTPL	FVTOCI	Amortised Cost/At Cost	FVTPL	FVTOCI	Amortised Cost/At Cost
<b>Financial Assets</b>						
Investments (Non-current)						
-Equity instruments		9.18			9.18	
Loans			363.09			108.55
Others			4,285.40			864.50
Trade receivables			35,336.95			28,823.21
Cash & Cash equivalents			72,870.14			86,682.14
Bank Balances			148,023.19			132,840.27
Loans			57.20			30.97
Other Financial Assets			1,574.24			3,145.35
<b>Total Financial Assets</b>	<b>0.00</b>	<b>9.18</b>	<b>262,510.21</b>	<b>0.00</b>	<b>9.18</b>	<b>252,494.99</b>

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

(₹ in Lakhs)						
	31st March 2021			31st March 2020		
	FVTPL	FVTOCI	Amortised Cost/At Cost	FVTPL	FVTOCI	Amortised Cost/At Cost
<b>Financial liabilities</b>						
Borrowings			12,300.00			12,300.00
Other financial liabilities			39,360.69			37,586.91
Trade payables			43,543.42			41,871.78
Other financial liabilities			25,284.73			17,801.48
<b>Total Financial Liabilities</b>	<b>0.00</b>	<b>0.00</b>	<b>120,488.84</b>	<b>0.00</b>	<b>0.00</b>	<b>109,560.17</b>

## Note 51 : Financial Risk Management Policy

### Financial Risk Management Objective and Policies:

The Company's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables and advances from customers. The main purpose of these financial liabilities is to finance the Company's operations, projects under implementation and to provide guarantees to support its operations. The Company's principal financial assets include Investment, loans and advances, trade and other receivables and cash and bank balances that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out based on the forex risk management policy approved by the Board. As per the policy trading in derivatives for speculative purposes are not allowed. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

### Market Risk

Market risk is the risk that the fair value of future cash flows of financial assets will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial Assets affected by market risk include loans and borrowings, deposits and derivative financial instruments.

### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

### Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Foreign currency risk of the company is managed through a properly documented risk management policy approved by the board. The Board of directors also reviews the foreign currency exposure of the Company on quarterly basis.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

### Commodity Price Risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of steel, major machineries, equipments etc. Therefore, the Company plans its purchases closely to optimise the price.

### Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

## Note 52 : Segment Reporting

The Company has identified two major operating segments viz, Shipbuilding and Repair of ships/ offshore structures. Segment wise analysis has been made on the above basis and amounts allocated on a reasonable basis.

(₹ in Lakhs)		
Particulars	As at March 31,2021	As at March 31,2020
<b>Segment Assets</b>		
Ship building	319484.51	292812.55
Ship Repair	259606.41	243285.53
Others	172828.72	104574.45
<b>Total</b>	<b>751919.64</b>	<b>640672.53</b>
<b>Segment Liability</b>		
Ship building	104576.01	67144.21
Ship Repair	11264.54	12715.35
Others	232733.97	188524.62
<b>Total</b>	<b>348574.52</b>	<b>268384.18</b>
<b>Segment Revenue</b>		
Ship building	240559.27	285226.50
Ship Repair	41330.43	57022.89
Unallocated	19082.67	24508.13
<b>Total</b>	<b>300972.37</b>	<b>366757.52</b>
<b>Segment Result</b>		
Ship building	76229.86	66459.10
Ship Repair	9419.89	14741.55
Unallocated	(4836.95)	4571.35
<b>Total</b>	<b>80812.80</b>	<b>85772.00</b>

The Company has two major business segments –“Ship Building” and “Ship Repair”. Revenue under Ship building includes ₹ 203736.66 lakhs (Previous year: ₹ 237746.87 lakhs) from one customer (Previous year: one customer) having more than 10 % revenue of the total revenue, and for Ship repair includes ₹ 29714.58 lakhs (Previous year: ₹49582.22 lakhs) from three customers ( Previous year: three customers) having more than 10% revenue of the total revenue.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 53 : Capital Management

The company’s objective when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

For the purpose of capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The company is not subject to any externally imposed capital requirements.

To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return on capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings (including bonds).

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Long term borrowings	12300.00	12300.00
Net Debt	12300.00	12300.00
Equity Share Capital	13154.04	13154.04
Other equity	390191.08	359134.31
Total Equity	403345.12	372288.35
Gearing Ratio	3.05%	3.30%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

## Note 54 :

The Coronavirus disease (COVID-19) is turning out to be a human tragedy and a global pandemic impacting the society and the economy at large. It is adversely affecting the health of people worldwide as well as on the state of economy and commerce. It continues to be a matter of major concern for all the business organizations even though the vaccination of the masses has already started. The COVID-19 outbreak in waves has already had a significant effect on the economies of affected countries and international financial markets. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown from the 25th of March 2020 announced by the Indian Government, to stem the spread of COVID-19. Due to this the operation of the Group was temporarily disrupted from 23rd March 2020 to 5th May 2020. This was followed by a period of low infection which helped open the industries and economy. The Company also ramped up the production significantly in the ensuing quarters. There were some delay in the running projects including Capex but impact is lessened to a great extent by invocation and grant of the Force Majeure clause in contracts and GoI circular dated 13 May 2020. However, the second wave which started from February 2021 is again forcing states to lockdown for extended periods. The impact of the second wave is still unfolding. The business landscape presents a challenge because of the likely shelving/withholding of the pipeline projects by the potential clients but the Group expects sufficient business for it. The unfolding pandemic scenario still presents a challenge for the company in assessing the future despite the renewed vaccination drive across the globe and the Group will continue to closely monitor any material changes to future economic conditions.

## Note 55 : Details of Subsidiaries

	Name	Relationship	Nature of activity	Principal place of business	As at 31st March 2021 Proportionate ownership in %
1	Hooghly Cochin Shipyard Limited	Subsidiary	Construction of vessels of various types and repairs thereof	Kolkata, India	100%
2	Tebma Shipyards Limited	Subsidiary	Construction of vessels of various types and repairs thereof	Malpe, India	100%

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

## Note 56 : Summarised financial information of subsidiary company is as follows:

The amounts disclosed for subsidiary are before inter-company eliminations

### A. HOOGHLY COCHIN SHIPYARD LIMITED

(₹ in Lakhs)		
Summarised Balance sheet	2020-21	2019-20
Non-current assets	13626.34	4970.53
Current assets	4507.23	2459.55
<b>Total Assets</b>	<b>18133.57</b>	<b>7430.08</b>
Non-current liabilities	10649.37	4789.74
Current liabilities	3218.92	859.36
<b>Total Liabilities</b>	<b>13868.29</b>	<b>5649.10</b>
<b>Net Assets</b>	<b>4265.28</b>	<b>1780.98</b>
Accumulated NCI	0.00	0.00
(₹ in Lakhs)		
Summarised Statement of Profit & Loss	2020-21	2019-20
Revenue	0.00	0.00
Profit/(Loss) for the year	(315.70)	(248.76)
Other Comprehensive Income	0.00	0.00
<b>Total Comprehensive Income</b>	<b>(315.70)</b>	<b>(248.76)</b>
Profit/(Loss) attributable to NCI	0.00	0.00
(₹ in Lakhs)		
Summarised Cashflows	2020-21	2019-20
Cashflows from operating activities	1941.32	(284.46)
Cashflows from investing activities	(8550.25)	(2128.07)
Cashflows from financing activities	8400.00	10.22
<b>Net increase/decrease in cash and cash equivalents</b>	<b>1791.07</b>	<b>(2402.31)</b>

### B. TEBMA SHIPYARDS LIMITED

(₹ in Lakhs)		
Summarised Balancesheet	2020-21*	
Non-current assets	14070.24	
Current assets	2817.85	
<b>Total Assets</b>	<b>16888.09</b>	
Non-current liabilities	575.39	
Current liabilities	2659.49	
<b>Total Liabilities</b>	<b>3234.88</b>	
<b>Net Assets</b>	<b>13653.21</b>	
Accumulated NCI	0.00	



# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

(₹ in Lakhs)

Summarised Statement of Profit & Loss	2020-21*
Revenue	0.00
Profit/(Loss) for the year	529.62
Other Comprehensive Income	0.00
Total Comprehensive Income	529.62
Profit/(Loss) attributable to NCI	0.00

(₹ in Lakhs)

Summarised Cashflows	2020-21*
Cashflows from operating activities	1978.62
Cashflows from investing activities	(166.18)
Cashflows from financing activities	(35.20)
Net increase/decrease in cash and cash equivalents	1777.24

\* From the date of consolidation ie September 30, 2020

## Note 57 : Information required by Schedule III of the Companies Act 2013, with respect to Consolidated Financial Statements

(₹ in lakhs)

Name of the entity in the group	Net Asset			Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	Ownership in % As at March 31, 2021	Proportionate Share	As % of Consolidated Net Asset	Share in Profit/ (Loss)	As % of Consolidated Profit/ (Loss)	Share in Other Comprehensive Income	As % of Consolidated Other Comprehensive Income	Share in Total Comprehensive Income	As % of Consolidated Total Comprehensive income
Cochin Shipyards Limited	100.00%	397756.68	98.61%	61010.44	100.24%	398.17	100.00%	61408.61	100.24%
Subsidiary									
Hooghly Cochin Shipyards Limited	100.00%	4265.28	1.06%	(315.70)	(0.52%)	0.00	0	(315.70)	(0.52%)
Tebma Shipyards Limited	100.00%	13653.21	3.38%	529.62	0.87%	0.00	0	529.62	0.86%
Consolidation adjustments		(12330.05)	(3.06%)	(357.92)	(0.59%)	0	0	(357.92)	(0.58%)
Grand Total		403345.12	100%	60866.44	100.00%	398.17	100.00%	61264.61	100.00%

### Note 58 :

In the case of contracts/ sub-contracts, wherever final bills are not submitted by the contractors for the work done as at the close of the year, liability is estimated and provided based on the work done.

### Note 59 :

Balance shown under Trade Receivables, Trade Payables , loans, deposits and claims are subject to confirmation and consequent reconciliation, if any.

# Notes

to the Consolidated Financial Statements for the year ended 31st March, 2021

### Note 60 :

The Company has made adequate provision towards material foreseeable losses wherever required, in respect of long term contracts. The Company do not have any long term derivative contracts for which there were any material foreseeable losses.

### Note 61 :

Figures in brackets denote negative figures.

### Note 62 :

Previous year figures have been regrouped and classified wherever necessary to conform to the current year presentation.

Corporate overview and Significant Accounting Policies	1-2
Notes to the Financial Statements	3-62

The accompanying notes are an integral part of these financial statements

As per our report attached

For and on behalf of Board of Directors

For **M/s Elias George and Co.,**  
Chartered Accountants  
(Firm Registration No. 000801S)

**SYAMKAMAL N**  
Company Secretary

**BEJOY BHASKER**  
Director (Technical)  
(DIN 08103825)

**CHIRAG J SHAH**  
Partner  
(Membership No. 214798)

**JOSE V J**  
Director (Finance) & Chief Financial Officer  
(DIN 08444440)

**MADHU S NAIR**  
Chairman and Managing Director  
(DIN 07376798)

Kochi  
June 11, 2021

Kochi  
June 11, 2021

Annexure

# FORM AOC 1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures  
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part “A” : Subsidiaries

Sl No	Particulars	Details	Details
1	Sl No	1	2
2	Name of the subsidiary	Hooghly Cochin Shipyards Ltd	Tebma Shipyards Ltd
3	The date since when subsidiary was acquired	October 23, 2017	September 15, 2020
4	Reporting Period for the subsidiary concerned, if different from the holding company’s reporting period	No	No
5	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable
6	Share Capital	₹5000 Lakhs	₹6500 Lakhs
7	Reserves and Surplus	₹(734.72) Lakhs	₹7153.21 Lakhs
8	Total Assets	₹18133.57 Lakhs	₹16888.09 Lakhs
9	Total Liabilities	₹18133.57 Lakhs	₹16888.09 Lakhs
10	Investments	Nil	Nil
11	Turnover	Nil	Nil
12	Profit Before Taxation	₹(407.54) Lakhs	₹(146.04)Lakhs
13	Provision for taxation		
	(i) Current Tax		
	(ii) Deferred Tax	₹(91.84) Lakhs	₹(10) Lakhs
14	Profit after taxation	₹(315.70) Lakhs	₹(136.04) Lakhs
15	Proposed Dividend	Nil	Nil
16	Extent of shareholding (in %)	100%	100%

Notes:

1. Hooghly Cochin Shipyards Ltd, 100% subsidiary of Cochin Shipyards Ltd, is yet to commence operations
2. Tebma Shipyards Ltd, 100% subsidiary of Cochin Shipyards Ltd, is yet to commence operations

Part “B”: Associates and Joint Ventures :

Not applicable

As per our report attached

For and on behalf of Board of Directors

For **M/s Elias George and Co.,**  
Chartered Accountants  
(Firm Registration No. 000801S)

**SYAMKAMAL N**  
Company Secretary

**BEJOY BHASKER**  
Director (Technical)  
(DIN 08103825)

**CHIRAG J SHAH**  
Partner  
(Membership No. 214798)

**JOSE V J**  
Director (Finance) & Chief Financial Officer  
(DIN 08444440)

**MADHU S NAIR**  
Chairman and Managing Director  
(DIN 07376798)

Kochi  
June 11, 2021

Kochi  
June 11, 2021



COCHIN SHIPYARD LIMITED

**Corporate Identity Number:** L63032KL1972GOI002414  
**Registered Office:** Administrative Building, Cochin Shipyards Premises  
Perumanoor, Ernakulam, Kerala – 682015  
**Tel:** +91 (484) 2501306 **Fax:** +91 (484) 2384001  
**E-mail:** [secretary@cochinshipyards.in](mailto:secretary@cochinshipyards.in) **Website:** [www.cochinshipyards.in](http://www.cochinshipyards.in)

## NOTICE

Notice is hereby given that the 49th Annual General Meeting (AGM) of Cochin Shipyards Limited (CSL) will be held on Wednesday, September 29, 2021 at 11:00 hrs. IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors’ and the Auditors’ thereon.
2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2021, together with the Report of the Auditors’ thereon.
3. To confirm the payment of first interim dividend of ₹9.00 (90%) per equity share and second interim dividend of ₹4.00 (40%) per equity share and to declare final dividend of ₹2.50 (25%) per equity share (face value ₹10/-) for the financial year 2020-21.
4. To appoint a Director in place of Shri Bejoy Bhasker (DIN: 08103825), who retires by rotation and being eligible, offers himself for re-appointment.
5. To authorize the Board of Directors to fix the remuneration of the auditors appointed by the Comptroller and Auditor General of India (C&AG) for the financial year 2021-22.

Special Business

6. Ratification of Remuneration of Cost Auditors

To consider and if thought fit, to pass the following resolution as ordinary resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), as amended from time to time, the Company hereby ratifies the remuneration of ₹1,50,000/- (Rupees One Lakh Fifty Thousand Only) per annum plus applicable tax payable to M/s. BBS & Associates, Cost Accountants (Firm Registration No.: 00273), who are appointed by the Board of Directors as Cost Auditors of the Company to conduct audits relating to cost records of the Company under the Companies (Cost Records and Audit) Rules, 2014 for the year ending March 31, 2022.”

**“RESOLVED FURTHER THAT** any one of the Directors or the Company Secretary of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the above resolution.”

By Order of the Board of Directors

Kochi  
September 06, 2021

**Syamkamal N**  
**Company Secretary**  
M. No. A25337

**Notes:**

- In view of the COVID-19 Pandemic, the Ministry of Corporate Affairs ("MCA") vide its Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20/2020 dated May 05, 2020, Circular No.14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, and all other relevant Circulars issued from time to time (collectively referred to as "MCA Circulars"), permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013, MCA Circulars, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and SEBI Circulars, the 49th AGM of the Company is being held through VC/OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM.
- The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed and forms part of the Notice.
- The relevant details, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India ("ICSI"), in respect of Director seeking re-appointment at this AGM is annexed to this Notice.
- Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since, this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with and hence the facility for appointment of proxies by the Members will not be available for the AGM. Therefore, the proxy form, attendance slip and route map are not annexed to this Notice. However, in pursuance of Section 112 and 113 of the Companies Act, 2013, representatives of the Members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- In compliance with the MCA Circulars and SEBI Circulars dated January 15, 2021 and May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Depositories/ Company's Registrar and Transfer Agents (RTA). Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.cochinshipyard.in](http://www.cochinshipyard.in), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of National Securities Depositories Limited (NSDL) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized mode with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical mode are requested to consider converting their holdings to dematerialized mode. Members can contact the Company or Company's Registrar and Transfer Agents (RTA), Link Intime India Private Limited for assistance in this regard.
- Members who have not yet registered/updated their e-mail addresses are requested to register/update the same with their Depository Participants (DP) in case the shares are held in demat mode and with Link Intime India Private Limited, Company's RTA, in case the shares are held in physical mode. Members are requested to register/update their e-mail addresses to enable the Company/RTA to send communications through e-mail.
- Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC etc., to their DPs in case the shares are held in demat mode and to Link Intime India Private Limited, Company's RTA, in case the shares are held in physical mode.
- As per the provisions of Section 72 of the Companies Act, 2013, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13 prescribed under Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014. If a Member desires to cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. SH-14 prescribed under Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014. On request, the necessary forms can be obtained from the Company's RTA, Link Intime

India Private Limited. Members are requested to submit the said details to their DP in case the shares are held in demat mode and to Link Intime India Private Limited in case the shares are held in physical mode.

**10. Book Closure and Dividend**

- The Register of Members and the Share Transfer Books of the Company will be closed from Thursday, September 23, 2021 to Wednesday, September 29, 2021, both days inclusive.
- The final dividend for the financial year 2020-21, as recommended by the Board of Directors, if approved at the AGM, will be paid, subject to deduction of tax at source, by October 28, 2021 i.e. within 30 days from the date of approval to those Members whose names appear in the Register of Members/Depositories' records, as the case may be, at the close of business hours on Wednesday, September 22, 2021.
- Company will be making the dividend payment by electronic mode wherever possible and by dividend warrants/demand drafts in other cases. In respect of shares held in demat mode, the dividend will be paid on the basis of beneficial ownership details furnished by the Depositories (NSDL & CDSL) as at the close of business hours on Wednesday, September 22, 2021. Members holding shares in demat mode may note that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its RTA cannot act on any request received directly from the Members holding shares in demat mode for any change of bank particulars or bank mandate. Such changes are to be advised only to the Depository Participant of the Members. Members who have changed their bank account after opening the demat account and want to receive dividend in an account other than the one specified while opening the demat account, are requested to change/correct their bank account details (including the nine digit Bank code) with their Depository Participant, before September 22, 2021.
- As per the Finance Act, 2020, dividend paid and distributed by a Company will be taxable in the hands of Shareholders with effect from April 01, 2020. Therefore, the Company will be required to deduct taxes at source (TDS) at the rates applicable to each category of Shareholder under the provisions of the Income Tax Act, 1961 as explained below:

**A. Resident Shareholders**

- TDS would not apply in case of individuals if the aggregate dividend distributed to them during the financial year 2021-22 does not exceed ₹5,000.
- Tax at source will not be deducted in cases where a Shareholder provides
  - Form 15G (applicable to any person other than a Company or a Firm)
  - Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met.
  - The Form 15H/15G is available for download at the Company's website at [www.cochinshipyard.in](http://www.cochinshipyard.in).
- Tax will be deducted at source ("TDS") under Section 194 of the Income Tax Act, 1961 @ 10% on the amount of dividend payable unless exempted under any of its provisions.
- In case of "specified person" under Section 206AB of the Income Tax Act, the TDS shall be deducted at twice the rates specified in the relevant provisions of the Income Tax Act, 1961.
- If PAN is not submitted, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961. Shareholders are requested to update their PAN with the Company's RTA, Link Intime India Private Limited (in case of shares held in physical mode) and Depository Participants (in case of shares held in demat mode).
- Shareholders holding shares under multiple accounts under different status/ category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.
- Shareholders are requested to kindly verify the correctness of the records and update the same with the Depository Participant (if shares are held in demat mode) or the Company's RTA (if shares are held in physical mode), at the earliest.
- Eligible Shareholders are also requested to submit the following documents as prescribed under the Income Tax Act, 1961 latest by 23:59 hrs. on September 21, 2021 at the portal of the Company's RTA, Link Intime India Private Limited at <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> to avail the benefit of exemption or lower deduction from withholding tax.



Category	Documents required	Remarks
General	Self-attested copy of withholding tax certificate for lower deduction u/s 197	If lower rate of tax is to be claimed
Individual	Duly signed Form 15G or 15H (as may be applicable) along with the self-attested copy of the PAN card	If tax exemption is to be claimed
Insurance Company	Self-declaration* that it has full beneficial interest with respect to shares owned, along with self-attested copy of PAN card and registration certificate	If tax exemption is to be claimed
Mutual Funds	Self-declaration* that they are specified in Section 10(23D) of the Income Tax Act, 1961, along with self-attested copy of PAN card and registration certificate	If tax exemption is to be claimed
Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income	Self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN card	If tax exemption is to be claimed
Alternative Investment Fund (AIF) established/ incorporated in India	Self-declaration* that its income is exempt under Section 10(23FBA) of the Income Tax Act, 1961 and that they are governed by SEBI Regulations as Category I or Category II AIF along with self-attested copy of the PAN card and registration certificate	If tax exemption is to be claimed

\*The format of self-declaration is available at Company's website at [www.cochinshipyard.in](http://www.cochinshipyard.in).

B. Non-Resident Shareholders

- (a) Tax is required to be deducted at source in accordance with the provisions of Section 195 of the Income Tax Act, 1961 at applicable rates in force. As per the relevant provisions of the Income Tax Act, 1961, the tax shall be deducted at source @ 20% (plus applicable surcharge and cess) on the amount of dividend payable.
- (b) Shareholders are requested to kindly verify the correctness of the records and update the same with the Depository Participant (if shares are held in demat mode) or the Company's RTA (if shares are held in physical mode), at the earliest.
- (c) Eligible Shareholders are also requested to submit the following documents as prescribed under the Income Tax Act, 1961 latest by 23:59 hrs. on September 21, 2021 at the portal of the Company's RTA, Link Intime India Private Limited at <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> to avail the benefit of Double Taxation Avoidance Agreement (DTAA) between India and their country of residence.

Category of Shareholder	Documents
Investments made by routes other than FPI route	Individual <ul style="list-style-type: none"><li>Self-attested copy of Tax Residency Certificate issued by the country in which the Shareholder is a resident</li><li>Form 10F*</li><li>Self-declaration*</li><li>Self-attested copy of lower/ nil withholding tax certificate provided under Section 197 of the Income Tax Act, 1961, if any.</li></ul>
	Partnerships, Trusts <ul style="list-style-type: none"><li>Self-attested copy of Tax Residency Certificate issued by the country in which the Shareholder is a resident</li><li>Form 10F*</li><li>List of partners/ beneficiaries, their respective shares in the income of the partnership/ trust and their respective residential status (if not forming part of TRC)</li><li>Self-declaration*</li><li>Self-attested copy of lower/ nil withholding tax certificate provided under Section 197 of the Income Tax Act, 1961, if any.</li></ul>

Category of Shareholder	Documents
Companies	<ul style="list-style-type: none"><li>Self-attested copy of Tax Residency Certificate issued by the country in which the Shareholder is a resident</li><li>Form 10F*</li><li>Proof of satisfaction of LoB wherever required as per treaty (for example, in case the foreign company is registered on the stock exchange of the other country – the listing certificate of the company)</li><li>Self-declaration*</li><li>Self-attested copy of lower/ nil withholding tax certificate provided under Section 197 of the Income Tax Act, 1961, if any.</li></ul>
Investments made through FPI route	FPIs (if shares are held under the FDI regime) <ul style="list-style-type: none"><li>Self-attested copy of Tax Residency Certificate issued by the country in which the Shareholder is a resident</li><li>Form 10F*</li><li>Proof of satisfaction of LoB wherever required as per treaty (for example, in case the foreign company is registered on the stock exchange of the other country – the listing certificate of the company)</li><li>Self-declaration*</li><li>Self-attested copy of lower/ nil withholding tax certificate provided under Section 197 of the Income Tax Act, 1961, if any.</li></ul>
	FPIs (other than above) <ul style="list-style-type: none"><li>Self-attested declaration that investment has been made under FPI route</li><li>Self-attested copy of lower/ nil withholding tax certificate provided under Section 197 of the Income Tax Act, 1961, if any.</li></ul>

\*The Form 10F and the format of Self-declaration is available at Company's website at [www.cochinshipyard.in](http://www.cochinshipyard.in).

- (d) Kindly note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by non- resident shareholders.
- (e) Tax shall be deducted at source @ 20% (plus applicable surcharge and cess) on dividend paid to Foreign Institutional Investors and Foreign Portfolio Investors under Section 196D of the Income Tax Act, 1961. Such TDS rate shall not be reduced on account of the application of the lower DTAA rate, if any.
- (v) Kindly note that the aforementioned documents should be uploaded at the portal of the Company's RTA, Link Intime India Private Limited at <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> latest by 23:59 hrs. on September 21, 2021. Documents submitted through e-mail or any other form will not be considered.
- (vi) No communication on the tax determination/ deduction shall be entertained after September 21, 2021.
- (vii) In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/ documents, Shareholders would still have the option of claiming refund of the excess tax deducted at the time of filing the income tax return by consulting a tax advisor. No claim shall lie against the Company for such taxes deducted.
- (viii) Shareholders are requested to register/update their e-mail addresses with their Depository Participant (DP) in case the shares are held in demat mode and with Link Intime India Private Limited, Company's RTA, in case the shares are held in physical mode to enable the Company to send Form 16A with respect to the TDS on Dividend. Shareholders will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://eportal.incometax.gov.in>.
- (ix) **Disclaimer:** This communication shall not be treated as an advice from the Company. For the tax related matters Shareholders should obtain the tax advice from a tax professional.

11. Unclaimed Dividend

- (i) Members are hereby informed that under the Companies Act, 2013, the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of the Investor Education and Protection Fund (“IEPF”) established by the Central Government.
  - (ii) Further, pursuant to the provisions of Section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (“IEPF Rules”), all the shares on which dividend remain unpaid/unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority as notified by the Ministry of Corporate Affairs. Hence, the Company urges all the Shareholders to encash/claim their respective dividend during the prescribed period.
12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
13. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
14. Members are requested to:
- (i) Intimate to the Company/RTA, changes if any, in their respective addresses along with the pincode at an early date.
  - (ii) Quote folio numbers in all their correspondences.
  - (iii) Consolidate holdings into one folio in case of multiplicity of folios with names in identical orders.
15. Non-Resident Indian Shareholders are requested to inform the Company immediately the change in the residential status on return to India for permanent settlement.
16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested,

maintained under Section 189 of the Companies Act, 2013 will be available electronically for inspection to the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [secretary@cochinshipyard.in](mailto:secretary@cochinshipyard.in).

17. Members are requested to send all communications relating to shares to the Company’s Registrar and Transfer Agents (RTA) at the following address:

Link Intime India Private Limited

“Surya”, 35, Mayflower Avenue  
Behind Senthil Nagar  
Sowripalayam Road  
Coimbatore, Tamil Nadu – 641028  
Phone: +91 (422) 2314792, 2315792  
E-mail: [coimbatore@linkintime.co.in](mailto:coimbatore@linkintime.co.in)

18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of SEBI Listing Regulations (as amended) and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-voting system as well as the e-voting system on the date of the AGM will be provided by NSDL.

19. Instructions to Shareholders for remote e-voting

- (i) The remote e-voting period begins on Sunday, September 26, 2021 at 09:00 hrs. and ends on Tuesday, September 28, 2021 at 17:00 hrs. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members whose names appear in the Register of Members/Depositories’ records, as the case may be, as on the cut-off date, Wednesday, September 22, 2021, may cast their vote electronically. The voting right of Shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, September 22, 2021. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

- (ii) Shareholders who have already voted prior to the Meeting date would not be entitled to vote at the Meeting venue.
- (iii) Process and manner of voting by electronic means

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode

In terms of SEBI Circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail address in their demat accounts in order to access e-Voting facility.

Login method for Individual Shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<div>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL viz., <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile. On the e-Services home page click on the <b>Beneficial Owner</b> icon under <b>Login</b> which is available under <b>IDeAS</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>Access to e-Voting</b> under e-Voting services and you will be able to see e-Voting page. Click on <b>Company name</b> or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the Meeting.</div> <div>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>Register Online for IDeAS Portal</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></div> <div>3. Visit the e-Voting website of NSDL. Open web browser by typing the URL <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon <b>Login</b> which is available under <b>Shareholder/Member</b> section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository website wherein you can see the e-Voting page. Click on <b>Company name</b> or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the Meeting.</div> <div>4. Shareholders/Members can also download NSDL Mobile App <b>NSDL Speede</b> facility by scanning the QR code mentioned below for seamless voting experience.</div>

NSDL Mobile App is available on



Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<div>1. Existing users who have opted for <b>Easi/Easiest</b>, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to <b>Easi/Easiest</b> is <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on <b>New System Myeasi</b> under the tab <b>Login</b>.</div> <div>2. After successful login of <b>Easi/Easiest</b> the user will be also able to see the e-Voting menu. The menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</div> <div>3. If the user is not registered for <b>Easi/Easiest</b>, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></div> <div>4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN and the link for the same is <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> or click on <b>E Voting</b> Tab in CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a>. The system will authenticate the user by sending OTP on registered mobile and e-mail as recorded in the demat account. After successful authentication, user will be provided links for the respective <b>e-Voting service provider i.e. NSDL</b> where the e-Voting is in progress.</div>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see <b>e-Voting option</b> . Click on <b>e-Voting option</b> , you will be redirected to NSDL/CDSL Depository website after successful authentication, wherein you can see e-Voting feature. Click on <b>Company name</b> or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the Meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use **Forget User ID/Forget Password** option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no. 1800 1020 990 and 1800 22 44 30.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022 – 23058738 or 022 – 23058542 – 43.

**B) Login Method for e-Voting and joining virtual meeting for Shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode**

How to Login to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the URL <https://www.evoting.nsdl.com> either on a personal computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon **Login** which is available under **Shareholder/Member** section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-Services i.e. **IDeAS**, you can login at <https://eservices.nsdl.com> with your existing IDeAS login. Once you login to NSDL e-Services using your login credentials, click on **e-Voting** and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
(a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****.
(b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your User ID is 12*****.
(c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example, if your folio number is 001*** and EVEN is 101456 then your User ID is 101456001***.

5. Password details for Shareholders other than Individual Shareholders are given below:
6. If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password.
7. After entering your password, tick on **Agree to Terms and Conditions** by selecting on the check box.
8. Now, you will have to click on **Login** button.
- (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- (c) How to retrieve your 'initial password'?
- (i) If your e-mail address is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail address. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your e-mail address is not registered, please follow steps mentioned below in **process**
- (a) Click on **Forgot User Details/Password?** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- (d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.



9. After you click on the **Login** button, Home page of e-Voting will open.

### Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system

#### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the Companies' 'EVEN' in which you are holding shares and whose voting cycle and General Meeting is in active status.
  - Select 'EVEN' of the Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the Meeting. For joining virtual meeting, you need to click on **VC/OAVM** link placed under **Join General Meeting**.
  - Now you are ready for e-Voting as the voting page opens.
  - Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on **Submit** and also **Confirm** when prompted.
  - Upon confirmation, the message "Vote cast successfully" will be displayed.
  - You can also take the printout of the votes cast by you by clicking on the **print option** on the confirmation page.
  - Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- (iv) General Guidelines for Shareholders
- Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cochin@mehta-mehta.com](mailto:cochin@mehta-mehta.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **"Forgot User Details/Password?"**

or **"Physical User Reset Password?"** option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

- In case of any queries/grievance, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com). You may also send a request to Shri Amit Vishal, Assistant Vice President, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013 at the e-mail address [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call on toll free no. 1800 1020 990 and 1800 22 44 30.
- (v) Process for those Shareholders whose e-mail addresses are not registered with the depositories for procuring User ID and Password and registration of e-mail addresses for e-voting for the resolutions set out in this notice
  - In case shares are held in physical mode please provide folio no., name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN Card), Aadhar (self-attested scanned copy of Aadhar Card) by e-mail to Company's RTA at [coimbatore@linkintime.co.in](mailto:coimbatore@linkintime.co.in).
  - In case shares are held in demat mode, please provide DPID-CLID (NSDL – 16 digit DPID + CLID or CDSL – 16 digit Beneficiary ID), name, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN Card), Aadhar (self-attested scanned copy of Aadhar Card) by e-mail to Company's RTA at [coimbatore@linkintime.co.in](mailto:coimbatore@linkintime.co.in). If you are an Individual Shareholder holding securities in demat mode, you are requested to refer to the login method explained at **Step 1 (A)** above i.e. **Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode.**
  - Alternatively, Shareholders/Members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring User ID and Password for e-voting by providing above mentioned documents.
  - In terms of SEBI Circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and e-mail address correctly in their

demat account in order to access e-Voting facility.

### 20. Instructions for Members for e-voting on the day of the AGM

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

### 21. Instructions for Members for attending the AGM through VC/OAVM

- Members can join the AGM in the VC/OAVM mode 15 minutes before the time scheduled for the AGM by following the procedure mentioned hereinafter. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.
- The facility to attend the AGM through VC/OAVM is provided to the Members through the NSDL e-Voting system. Members may access by following the steps mentioned above for access to NSDL e-Voting system. After successful login, Members are requested to click on **VC/OAVM** link placed under **Join General Meeting** menu against Company name. The link for VC/OAVM will be available in **Shareholder/Member** login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the

remote e-Voting instructions mentioned above to avoid last minute rush.

- The attendance of the Members in the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- Members are encouraged to join the Meeting through laptops for better experience.
- Further, Members will be required to allow camera, if any, and use internet with a good speed to avoid any disturbance during the Meeting.
- Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/ ask questions during the Meeting may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, demat account no./folio no., e-mail address and mobile no. at [speakers@cochinshipyard.in](mailto:speakers@cochinshipyard.in) from September 21, 2021 (08.00 hrs.) to September 23, 2021 (16:00 hrs.). The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the Meeting. Relevancy of the question and the order of speakers will be decided by the Chairman.
- Members seeking any information with regard to annual accounts at the time of Meeting are requested to send their queries to the Company at least seven days before the date of Meeting so as to enable the management to keep the information ready.

### 22. Other Instructions

- Persons who have acquired shares and become Members of the Company after the dispatch of Notice and hold shares as on cut-off date of September 22, 2021, may obtain the Notice and e-voting instructions by sending request to the Company's RTA, Link Intime India Private Limited at their e-mail address

[coimbatore@linkintime.co.in](mailto:coimbatore@linkintime.co.in) or download Notice and e-voting instructions from [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or Company's website [www.cochinshipyard.in](http://www.cochinshipyard.in).

(ii) The results declared along with the Scrutinizer's Report, will be placed on the website of the Company [www.cochinshipyard.in](http://www.cochinshipyard.in) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of results by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's shares are listed viz., BSE Limited and National Stock Exchange of India Limited. The results shall also be displayed on the notice board at the Registered Office of the Company.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 6

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records of the applicable products of the Company.

The Board at its 260th Meeting held on June 11, 2021 has appointed M/s. BBS & Associates, Cost Accountants (Firm Registration No.: 00273), as the Cost Auditors of the Company for the financial year 2021-22 at a remuneration of ₹1,50,000/- (Rupees One Lakh Fifty Thousand Only) per annum plus applicable taxes. As per Section 148(3) of the Companies Act, 2013, the remuneration of Cost Auditors is required to be ratified by the Members.

The Board accordingly recommends the resolution set out in item no. 6 of the accompanying Notice for the approval of the Members of the Company by way of an ordinary resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution at item no. 6 of the Notice.

By Order of the Board of Directors

Syamkamal N  
Company Secretary  
M. No. A25337

Kochi  
September 06, 2021

**Registered Office**  
Administrative Building  
Cochin Shipyard Premises  
Perumanoor, Ernakulam, Kerala – 682015  
CIN: L63032KL1972GOI002414  
Tel: +91 (484) 236 1306  
E-mail: [secretary@cochinshipyard.in](mailto:secretary@cochinshipyard.in)  
Website: [www.cochinshipyard.in](http://www.cochinshipyard.in)

DETAILS OF THE DIRECTOR SEEKING RE-APPOINTMENT AT THE 49TH AGM  
[PURSUANT TO REGULATION 36(3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD – 2 ON GENERAL MEETINGS]

Name of the Director	Shri Bejoy Bhasker
DIN	08103825
Age	56 years
Date of Birth	May 07, 1965
Date of first appointment on the Board	April 05, 2018
Brief Resume	Shri Bejoy Bhasker assumed charge as the Director (Technical) of the Company on April 05, 2018. He was appointed to the position of Director (Technical) by the Ministry of Ports, Shipping and Waterways (formerly Ministry of Shipping) through a selection process of Public Enterprises Selection Board. He joined the Company as an executive trainee on June 29, 1988 and has more than 33 years of work experience with the Company. His profile is given in the first part of the accompanying Annual Report.
Qualifications	He holds a Degree of Bachelor of Technology (Mechanical) from the University of Kerala with First Rank and Gold Medal. He also holds a Degree of Master of Technology (Mechanical) from the Indian Institute of Technology, Madras. He has completed Advanced Diploma in Management from Indira Gandhi National Open University.
Expertise in specific functional areas	Shri Bejoy Bhasker is the Director (Technical) of the Company from April 05, 2018. He joined the Company as an executive trainee on June 29, 1988. He has more than 33 years of work experience with the Company wherein he was involved in Ship Design, Ship Building, Outfit and Ship Repair divisions of the Company. He was awarded the “Manager of the Year” award in 2014 by Kerala Management Association.
Terms and conditions of appointment or reappointment	He was appointed on April 05, 2018 pursuant to Ministry of Ports, Shipping and Waterways (formerly Ministry of Shipping) Order F. No. SY-11012/4/2017-CSL dated April 04, 2018. The current terms and conditions of his employment are prescribed by Ministry of Ports, Shipping and Waterways Order No. SY-11012/4/2017-CSL dated September 13, 2018.
Details of remuneration last drawn (FY 2020-21)	₹ 57.38 lakhs
Directorships in other Public Limited Companies (excluding foreign companies, private companies & section 8 companies)	Hooghly Cochin Shipyard Limited (HCSL) Tebma Shipyards Limited (TSL) (wholly owned subsidiaries of CSL)
Membership / Chairmanship of Committees in other Public Limited Companies	Nil
No. of Board Meetings attended during the Financial Year 2020-21	6/6
No. of shares held in the Company:	
(a) Own	510
(b) For other persons on a beneficial basis	Nil
Relationship with other Directors/ Key Managerial Personnel	Nil

## NOTES

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

## NOTES

[illegible]



## NOTES

[illegible]



# COCHIN SHIPYARD LIMITED

---

## REGISTERED OFFICE

Administrative Building  
Cochin Shipyard Premises  
Perumanoor, Kochi – 682015  
Kerala, India

