



HOOCHLY COCHIN SHIPYARD LIMITED



Beginning of a **NEW ERA**

Annual Report 2021-22



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Madhu S Nair Chairman
Shri Bejoy Bhasker Non – Executive Director
Shri Jose V J Non – Executive Director
Shri Sreejith K Narayanan Non – Executive Director
Smt. Anjana K R Non – Executive Director
Shri Chandra Mani Rout Non – Executive Director

KEY MANAGERIAL PERSONNEL

Shri Shekhar Chakravarty Chief Executive Officer (CEO)
Shri Saibal Chattopadhyay Chief Financial Officer (CFO)
Shri Kiran K A Company Secretary (CS)

SENIOR MANAGEMENT TEAM

Shri Balakirshnan Poovathra DGM (Finance), CSL
Shri P K Mishra DGM (P&O), HCSL
Smt. Bindu Krishna AGM (Legal), CSL

REGISTERED OFFICE

Administrative Building
HCSL Premises, Satyen Bose Road,
P.O. Danesh Shaikh Lane, Nazirgunge,
Howrah, West Bengal – 711 109
CIN: U35900WB2017GOI223197

FACILITIES

Nazirgunge, West Bengal
Salkia, West Bengal

STATUTORY AUDITORS

M/s. RADS & Co
(CA1369)
1, Gibson Lane, Sidha Gibson
2nd Floor, Suite No. 214
Kolkata, West Bengal – 700 069

SECRETARIAL AUDITORS

M/s. SVJS & Associates
Company Secretaries
First Floor, 65/2364A
Ponoth Road, Kaloor
Kochi – 682 017

BANKERS

State Bank of India
Federal Bank



ABOUT US

A wholly owned subsidiary of CSL, Hooghly Cochin Shipyard Limited serves to fulfil the huge demand for inland water vessels in the designated National Waterways of India.

The East Coast of India has throughout been the epicentre of Maritime activity and has been the beacon for the country as far as shipbuilding is concerned. Towards this Cochin Shipyard Limited (CSL) in its endeavour to further strengthen the shipbuilding sector in this region has taken on the age old legacy of Hooghly Dock and Port Engineers Limited (HDPEL) who were the pioneers of shipbuilding in the eastern cost of the country.

HDPEL is one of the oldest shipyards of the country established in the year 1819 in the name of Hooghly Docking and Engineering Company Limited. It has later merged with Port Engineering Works and came to be known as Hooghly Dock & Port Engineers Limited (HDPEL). CSL took over this yard which includes facilities at Nazirgunge and Salkia and rechristened as Hooghly Cochin Shipyard Limited (HCSL) in October 2017 as a joint venture with HDPEL and thereafter HCSL became a wholly owned subsidiary

of CSL with effect from November 01, 2019, pursuant to the approval of the Union Cabinet on October 03, 2019.

CSL, keeping in line with the thought process of the Govt. of India to develop the National Waterways being piloted by the Ministry of Ports, Shipping and Waterways through the Jal Marg Vikas project of IWAI has refurbished and restructured the Nazirgunge unit into a modern shipbuilding facility. With the technical and design support from CSL, the leading shipyard in the country, HCSL

is confident of meeting the demands of high quality, niche vessels in inland sector in full and the Costal and Sea going segment to a good extent..

Our unit is equipped with the latest shipbuilding norms like inhouse QA/QC, NDT, Fire & Safety and sophisticated equipment with experienced work force to complete every task in a time bound manner. We have obtained IMS Certification including ISO 9001-2015 – Quality, ISO 14001-2015 – Environment & ISO 45001-2018 – Health and Safety Certification from the Indian Register of Shipping (IRS). Our facility has an added advantage due to the strategic location supporting consequently both slipway launching and side launching facility due to the extended riverfront.

We at HCSL, can provide a comprehensive support by not only developing the most cost-effective design and ships for the customers but also providing support for the entire life cycle of the vessel by conducting defect analysis and maintenance schedules on periodic real time feedback from ships and thereafter slotting refits and repair as per schedule.

A Few highlights of the facility at HCSL:

- (I) All shopfloors equipped with the state-of-the-art facilities for ship construction.
- (II) End launching (02 nos.) with winch and cradle system for vessels upto 80 Mtrs.
- (III) Side launching (01 no) for vessels upto 120 Mtrs.
- (IV) Fitout berths (04 nos.) with jetties – each with floating pontoons (30mtr*7mtr) with gangways and tower cranes(5Tons)
- (V) Wide range of standardized designs to meet customers’ requirements.
- (VI) Strong workforce to meet every task on schedule with a credential of 2.5 million safe working hours.



BUSINESS SEGMENT



SHIPBUILDING:

Wide range of standardized design to meet customers requirement. This includes Inland Water, Coastal and Sea going vessels for both passenger and cargo carrying capability.



LIFE CYCLE ANALYSIS:

Based on the real time feedback from ships, analysis on defects and maintenance routines can be carried out to predict and slot refit and repairs.



REFIT SCHEDULE:

Timely repair and refit of equipment to avoid breakdown and to reduce the downtime of machineries.



PRODUCT PORTFOLIO

Tug	Workboat	Fishing Vessel	Hybrid Electric Boat	Ro-PAX
Tow Barge	Pax Ferry	Marine Ambulance Boat	RO-RO	Pushers
Port Feeders	Coastal LNG Tankers	Research Vessel	Defence Vessel	Autonomous Electric Barge



CHAIRMAN'S ADDRESS



“HCSL, being a Yard with its access to the National Waterways 1 and 2, envisaged by the Government of India can be best utilized for building small vessels at the least possible cost.”

Dear Shareholders,

It is my privilege and pleasure to welcome you all to the 05th Annual General Meeting of Hooghly Cochin Shipyard Limited (HCSL).

I am really glad to inform you that, the Company has completed the project phase and its new facility for shipbuilding and ship repair at Nazirgunge was dedicated to the nation on August 16, 2022 by Shri Sarbananda Sonowal, the Hon'ble Union Minister for Ports, Shipping & Waterways. Besides, the Company has obtained IMS Certification including ISO 9001-2015 – Quality, ISO 14001-2015 – Environment and ISO 45001-2018 – Health & Safety, from the Indian Register of Shipping (IRS). Moreover, in April 2022, the Company has

implemented one of the best available ERP solutions, the SAP S/4HANA, which is expected to improve the efficiency of business transactions considerably.

The Yard is very well poised to contribute to CSL group's long term strategy, CRUISE 2030, by capitalising the vast opportunity in the small vessels segment especially inland barges and vessels, passenger ferries, RO-RO/ RO-PAX, ship repairs etc. primarily in the North East region of the country. HCSL, being a Yard with its access to the National Waterways 1 and 2, envisaged by the Government of India can be best utilized for building small vessels at the least possible cost. This will help the Company to penetrate the high volume low margin small vessels segment both in

domestic as well as international markets.

The financial year 2021-22 was indeed phenomenal for the Yard. Despite the restrictions on account of COVID-19, the Yard achieved COVID free working, without any loss of man hour during the Pandemic. During the year, the Yard undertook major repairs of two vessels of Inland Waterways Authority of India (IWAI) and four vessels of IWT Assam to the satisfaction of the clients. The Company is currently executing the order for design, procurement, fabrication, installation and testing of Box Caisson gate for CSL-Kolkata Ship Repair Unit (CKSRU). I am also glad to inform you that, HCSL has bagged its first shipbuilding order for building one 2200T DWT Multi Purpose Vessel for Jak

Maritime & Logistics India Private Limited. The contract for the same was signed in August 2022. Further, inland waterways segment being one of the major focus area of the Company, we have entered consultancy agreement with Inland Waterways Authority of India (IWAI) to act as consultants for setting up a new ship repair facility at Pandu, Assam, Guwahati. The agreement was signed between HCSL & IWAI in the presence of the Hon'ble Minister for Ports, Shipping & Waterways and the Hon'ble Chief Minister of Assam on August 26, 2021. The ship repair facility of HCSL will cater for all vessels in the National Waterways 2 and North Eastern sector without any loss of valuable time, travelling to Kolkata for every minor repair.

On the financial front, the Company has earned an income of Rs. 41.78 Lakhs from ship repair during financial year 2021-22. However, the Company which is yet to start commercial shipbuilding, has reported a loss of Rs. 283.61 Lakhs during the financial year 2021-22.

It is also worth mentioning that, during the year, the Board of Directors of the Company appointed senior executives of CSL viz., Shri Sreejith K Narayanan and Smt. Anjana K R, as the Directors on the Board of HCSL. I am sure that the Company would immensely benefit from the extensive experience garnered by them in various operational areas of shipbuilding

and ship repair. As the Company has completed its project phase and is moving towards commercial production, a full-fledged CEO and CFO, both highly qualified and experienced, were appointed to steer the Company forward. Also, the recruitment for positioning required additional manpower is being progressed in a phased manner to ensure optimum manning in the Company.

Since HCSL was not fully operational during the financial year 2021-22, the Company is exempt from compliance with the Guidelines on Corporate Governance pursuant to the Office Memorandum (OM) F. No. 18(8)/2005-GM dated July 08, 2014, issued by the Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India. However, the Company adopts the best Corporate Governance practices wherever possible and the report on Corporate Governance prepared in compliance with the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the DPE is included in the Annual Report.

Before concluding, I wish to convey my appreciation to the HCSL management led by the CEO for their continued support, commitment and contribution. I also wish to place on record my sincere gratitude to all the Board Members for their valuable guidance and support extended for

completion of the project. I also thank Hon'ble Minister of Ports, Shipping and Waterways, the Secretary and other officials of the Ministry of Ports, Shipping and Waterways, the Directors and Senior Management of Cochin Shipyard Limited (CSL), officials of the Government of West Bengal and Syama Prasad Mookerjee Port (SMP) for their contribution in completion of the project. I also wish to convey my sincere thanks to the dedicated employees of the Company. Without their efforts and enduring commitment, the Company would not have sustained during these difficult and challenging times.

I wish the Company all the very best as it moves towards its goal of becoming the lead player in India in the inland waterway vessel segment.

Thanking You

Jai Hind

Madhu S Nair
Chairman
DIN: 07376798

BOARD OF DIRECTORS



Shri Madhu S Nair
Chairman

Shri Madhu S Nair is one of the first directors of the Company as per the Articles of Association of the Company. Shri Madhu S Nair is the Chairman and Managing Director of Cochin Shipyard Limited (CSL) from January 01, 2016. He holds a Degree of Bachelor of Technology in Naval Architecture and Ship Building from Cochin University of Science and Technology, India and a Degree of Master in Engineering with specialisation in Naval Architecture and Ocean Engineering from Osaka University, Japan. 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 has approximately 34 years of work experience across the Ship Building and Ship Repair industry. He is also the Chairman of Udupi Cochin Shipyard Limited (UCSL), the other wholly owned subsidiary of CSL.



Shri Bejoy Bhasker
Non - Executive Director

Shri Bejoy Bhasker was inducted to the Board of HCSL with effect from April 25, 2018. He is the Director (Technical) of Cochin Shipyard Limited (CSL) from 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 completed Advanced Diploma in Management from Indira Gandhi National Open University. He was awarded the "Manager of the Year" award in 2014 by Kerala Management Association. He has approximately 34 years of work experience across areas such as Ship Design, Ship Building, Outfit and Ship Repair. He is also a Director of Udupi Cochin Shipyard Limited (UCSL), the other wholly owned subsidiary of CSL.



Shri Jose V J
Non - Executive Director

Shri Jose V J was inducted to the Board of HCSL with effect from August 03, 2019. He is the Director (Finance) and Chief Financial Officer of Cochin Shipyard Limited (CSL) 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 31 years of work experience across diverse field viz., financial management, strategic planning, risk management, forex management, budgeting and cost control. He is also a Director of Udupi Cochin Shipyard Limited (UCSL), the other wholly owned subsidiary of CSL.



Shri Sreejith K Narayanan
Non - Executive Director

Shri Sreejith K Narayanan was inducted to the Board of HCSL with effect from March 26, 2022. He is the Director (Operations) of Cochin Shipyard Limited (CSL). He holds a degree in Bachelor of Technology (Mechanical) from Regional Engineering College, Calicut & Master of Business Administration from School of Management Studies, Cochin University of Science and Technology. He has approximately 34 years of work experience across areas such as Ship Building, Ship Design and Ship Repair. He is also a Director of Udupi Cochin Shipyard Limited (UCSL), the other wholly owned subsidiary of CSL.



Smt. Anjana K R
Non - Executive Director

Smt. Anjana K R was inducted to the Board of HCSL with effect from March 26, 2022. She is the General Manager (Design) of Cochin Shipyard Limited (CSL). Smt. Anjana K R holds a Degree of Bachelor of Technology (Naval Architecture & Ship Building) from Cochin University of Science and Technology. She has more than 26 years of work experience across areas such as Ship Design, Ship Building hull, production engineering and Ship building materials procurement.



Shri Chandra Mani Rout
Non - Executive Director

Shri Chandra Mani Rout is one of the first Directors of the Company as per the Articles of Association of the Company. He holds a Bachelor Degree in Civil Engineering and Post Graduate Diploma in Management and Remote Sensing from XIM, Bhubaneswar and IIRS, Dehradun, respectively. He is currently working as the Officer on Special Duty in the Syama Prasad Mookerjee Port, Kolkata. He has served as Chief Port Administrator (CEO of the A & N Group of Ports of A & N Islands), Port Management Board, Andaman & Nicobar Administration and also had served as the Director (IWT and Engg.), Ministry of Ports, Shipping and Waterways, Government of India. He is also a Director in Hooghly Dock & Port Engineers Limited.

LEADERSHIP TEAM



Shri Shekhar Chakravarty
Chief Executive Officer (CEO)

Shri Shekhar Chakravarty took over charge as the CEO of HCSL with effect from December 22, 2021. He holds a degree in Bachelor of Technology (Mechanical) from Naval College of Engineering, Lonavala, PG degree DIIT(NC) from IIT (Delhi) in Naval Construction and Certificate Course in Business Development from IIM (Indore). He joined Indian Navy in 1984 and was commissioned in 1987. He has 25 years of Commissioned service in Indian Navy. He has also worked with L&T Shipbuilding for a period of 9 years. He has vast expertise across areas such as ship design, ship repairs and ship construction, in addition to heading the Shiplift & Marine Services Division in L&T.



Shri Saibal Chattopadhyay
Chief Financial Officer (CFO)

Shri Saibal Chattopadhyay took over charge as the CFO of HCSL with effect from February 14, 2022. He is a member of the Institute of Cost Accountants of India (ICAI-CMA) as well as the Institute of Company Secretaries of India (ICSI). He has a rich experience across areas related to finance with various large corporates at different capacities. Prior to joining HCSL, he worked as Director Finance of HIL (India) Limited (formerly Hindustan Insecticides Limited). He had also worked with Rashtriya Chemicals & Fertilizers Limited (RCF) and Hindustan Copper Limited (HCL).

Directors' Report

Dear Shareholders,

1. Your Directors have immense pleasure in presenting the 05th Annual Report of your Company together with the financial statements for the year ended March 31, 2022, the Report of the Statutory Auditors and the comments of the Comptroller and Auditor General of India (C&AG) under Section 143 (6) (b) of the Companies Act, 2013.

About the Project

2. All project work pertaining to "New Yard construction of HCSL" is completed and the yard is ready for production. At the end of the financial year 2021-22 physical progress to the tune of 99% is achieved for all civil, mechanical and electrical related works. All major jobs held up due to delay in erection of the 50 ton crane are completed other than road and road painting which is in final stage of completion.
3. Further to that, handing and taking over of all civil structures and commissioning of all machinery/ equipment and cranes are completed. Presently all cranes including the 50 Ton crane are commissioned by third party agencies.
4. Due to delay in the erection of the 50 Ton crane, certain works of the mechanical, electrical and civil were held up as the crane has either restricted movement or occupied the area across the slipway. The present status of works is as given below:
 - a. Fire System: Interconnectivity of the system between phase I & II in the slipway region is completed. Statutory approval from Fire Department is in progress.
 - b. Gas System: Interconnectivity of the Gas system between phase I & II in the slipway region is completed. Statutory approval from PESO is in progress.
 - c. Winch & Cradle: Winch system is ready for commissioning however work on cradle locking mechanism is in progress. Commissioning of winch and cradle system is due thereafter. Post commissioning of the system lock gate will be positioned.

- d. Electrical System: Connectorization for all external systems are completed.
- e. Civil Works: All related civil works pertaining to flooring and road in the slipway region and trench clearing across both sides of the slipway are completed post erection of 50 Ton crane. Final bituminous layer is pending.

Operations

5. The new yard of HCSL, in its Nazirgunge unit is ready for operations. Despite the restrictions on account by COVID-19, the yard achieved COVID free working, without any loss of man hour during the pandemic. During the financial year 2021-22, the yard undertook major repairs of two vessels of IWAI and four vessels of IWT Assam in strict time line and delivered them to the best of satisfaction to the customer. During the reporting period, HCSL bagged the order for design, procurement, fabrication, installation and testing of Box Caisson gate for CSL-Kolkata Ship Repair Unit (CKSRU) of CSL. Further, HCSL being focused in inland waterways segment has entered into an agreement with IWAI to act as consultants for setting up a new ship repair facility at Pandu, Assam, Guwahati. The proposed ship repair facility will cater for all vessels in the National Waterways 2 and North Eastern sector without any loss of valuable time, travelling to Kolkata for every minor repair.

Financial Details

6. The Company being in the process of setting up the required shipyard infrastructure facilities has reported a loss of Rs. 382.47 Lakhs (Rs. 407.54 Lakhs PY) during the financial year 2021-22. The total capital expenditure incurred upto the financial year 2021-22 amounted to Rs. 1,386.80 Lakhs (Rs. 12,211.97 Lakhs upto PY).

Financial Highlights

		(Rs. in Lakhs)	
Sl. No.	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Gross Income	45.16	40.77
(ii)	Profit/(Loss) Before Finance cost, Depreciation & Tax	(286.03)	(299.36)
(iii)	Finance cost	56.82	75.57
(iv)	Depreciation & Amortisation expenses	39.62	32.61
(v)	Profit/(Loss) Before Tax	(382.47)	(407.54)
(vi)	Tax Asset	98.86	91.84
(vii)	Net Profit/(Loss)	(283.61)	(315.70)

Share Capital

- The authorised share capital of the Company as on March 31, 2022 is Rs. 1,25,00,00,000 (Rupees One Hundred and Twenty Five Crore only) divided into 6,90,00,000 (Six Crores Ninety Lakh) Equity Shares of Rs. 10 (Rupees Ten only) each aggregating to Rs. 69,00,00,000 Crores (Rupees Sixty Nine Crores only) and 5,60,00,000 (Five Crores Sixty Lakhs) Preference Shares of Rs. 10 (Rupees Ten only) each aggregating to Rs. 56,00,00,000 (Rupees Fifty Six Crores only).
- The paid-up share capital of the Company as on March 31, 2022 is Rs. 1,06,00,00,000 (Rupees One Hundred and Six Crores only) divided into 5,00,00,000 (Five Crore) equity shares of face value of Rs. 10 (Rupees Ten only) each aggregating to Rs. 50,00,00,000 (Rupees Fifty Crore only) and 5,60,00,000 (Five Crore Sixty Lakh) preference shares of face value of Rs. 10/- (Rupees Ten only) each aggregating to Rs. 56,00,00,000 (Rupees Fifty Six Crore only). The entire paid-up share capital is held by Cochin Shipyard Limited (CSL).

Debentures

- The Company has issued 4,40,000 (Four Lakh Forty Thousand) Unsecured Redeemable Non Convertible Debentures (debentures) of face value of Rs. 1,000 (Rupees One Thousand only) each in the month of September 2018 with a tenure of 60 months at a coupon rate of 6.50% per annum to CSL for an amount of Rs. 44,00,00,000 (Rupees Forty Four Crores only). The debentures are due for redemption in September 2023.
- Further, the Company has also issued 3,10,000 (Three Lakh Ten Thousand) Unsecured Redeemable Non Convertible Debentures (debentures) of face value of Rs. 1,000 (Rupees One Thousand only) each in the month of September 2021

with a tenure of 120 months (with an option to redeem after five years from the date of allotment) at a coupon rate of 6.15% per annum to CSL for an amount of Rs. 31,00,00,000 (Rupees Thirty One Crores only).

- The Company has in total 7,50,000 (Seven Lakhs Fifty Thousand) Unsecured Redeemable Non Convertible Debentures (debentures) of face value of Rs. 1,000 (Rupees One Thousand only) each outstanding as on March 31, 2022.

Dividend

- No dividend is recommended as the Company is currently in the nascent stages of its operations and has no divisible profits.

Transfer to Reserves

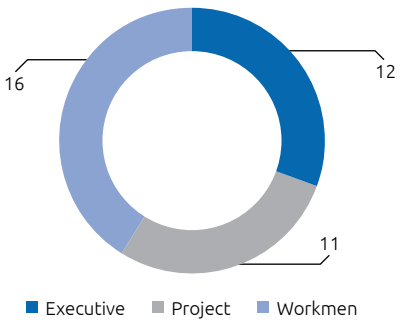
- As the Company is yet to commence its operations and has incurred a loss during the financial year 2021-22, the Company is unable to transfer any amount to the reserves.

Contribution to Exchequer

- The total contribution made during the financial year 2021-22 by way of Goods and Services Tax (GST) and Income Tax (TDS) was approximately Rs. 311.54 Lakhs (Rs. 22.60 Lakhs PY).

Manpower Status

- As on March 31, 2022, Hooghly Cochin Shipyard Limited (HCSL) has 39 employees consisting of 12 Executives, 11 Project Officers and 16 Workmen (On contract). The recruitment for positioning required additional manpower is being progressed in a phased manner to ensure optimum manning in the Company.



Particulars of Employees and Related Disclosures

- In accordance with Ministry of Corporate Affairs notification no. GSR 463(E) dated June 05, 2015, Government Companies are exempted from Section 197 of the Companies Act, 2013 and its rules thereof. Hence, details of remuneration of Directors need not be included in the Board's report.

Conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo

- The Company has adopted automatic power factor control mechanism for efficient energy conservation and setting up 30KWP solar power plant as alternative source of energy

on top of Service Block inside the yard. Every possible automation methodology has been adopted for better functioning. Details are placed at Annexure I.

- During the year 2021-22, there were no foreign exchange earnings and outgo.

Risk Management

- The Company is in the completion stage of setting up the required shipyard infrastructure facilities and the progress of the project is periodically reported to the Board for review and necessary guidance. The Company follows adequate risk management practices wherever necessary. Nevertheless, the Company would be adopting a Comprehensive Risk Management Policy soon.

Health, Safety & Environment (HSE)

- Since inception, the Company has not reported any major accidents, making it one of the safe place to work. Even after lifting of the lockdown by the state Government, the unit is strictly enforcing COVID protocol for all personals entering the yard. Presently, training of all executives and documentation towards obtaining IMS Certification is completed and Certification Audit by IRS will commence shortly.

Board of Directors & Key Managerial Personnel

- As on March 31, 2022, the Company has 6 Directors, all of whom are Non-Executive Directors and 3 Key Managerial Personnel viz., the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and the Company Secretary (CS), the details of which are given below:

Sl. No.	Name	DIN	Designation
1.	Shri Madhu S Nair	07376798	Chairman
2.	Shri Bejoy Bhasker	08103825	Non-Executive Director
3.	Shri Jose V J	08444440	Non-Executive Director
4.	Shri Sreejith K Narayanan	09543968	Non-Executive Director
5.	Smt. Anjana K R	09545253	Non-Executive Director
6.	Shri Chandra Mani Rout	06935852	Non-Executive Director
7.	Shri Shekhar Chakravarty	N.A.	Chief Executive Officer
8.	Shri Saibal Chattopadhyay	N.A.	Chief Financial Officer
9.	Shri Kiran Kappattil Augustine	N.A.	Company Secretary

- Shri N V Suresh Babu ceased to be Director with effect from May 01, 2021 consequent to his retirement on superannuation from the post of Director (Operations) in Cochin Shipyard Limited, the holding Company.
- Shri Sreejith K Narayanan, Chief General Manager (Ship Repair), CSL and Smt. Anjana K R, General Manager (Design), CSL, were appointed as CSL's Nominee Directors in the Board of Directors of HCSL for a period of three years with effect from March 26, 2022, coterminous with their service in CSL or until further orders, whichever is earlier.

24. Shri Shekhar Chakravarty was appointed as the Chief Executive Officer (CEO) of HCSL in place of Shri Rajesh Gopalakrishnan with effect from December 22, 2021 and Shri Saibal Chattopadhyay was appointed as the Chief Financial Officer (CFO) of HCSL in place of Shri Balakrishnan Poovathra with effect from February 14, 2022.

25. There were no other changes in Directors or Key Managerial Personnel of the Company during the financial year 2021-22 and also up to the date of this report.

Details of Board Meetings held during 2021-22

26. Four Board Meetings were held during the financial year 2021-22 and the gap between two meetings did not exceed 120 days. The dates on which the Board Meetings were held and the attendance of Directors in the said meetings are as follows:

Sl. No.	Date	Board Strength	No. of Directors Present
1.	May 07, 2021	4	3
2.	August 05, 2021	4	4
3.	November 08, 2021	4	3
4.	February 03, 2022	4	4

27. The attendance record of each Director in the Board Meetings held during the financial year 2021-22 is given below:

Sl. No.	Name	DIN	No. of Board Meetings Attended
1.	Shri Madhu S Nair	07376798	4/4
2.	Shri N V Suresh Babu*	07482491	0/0
3.	Shri Bejoy Bhasker	08103825	4/4
4.	Shri Jose V J	08444440	4/4
5.	Shri Sreejith K Narayanan**	09543968	0/0
6.	Smt. Anjana K R**	09545253	0/0
7.	Shri Chandra Mani Rout	06935852	2/4

* Shri N V Suresh Babu ceased to be Director with effect from May 01, 2021.

** Shri Sreejith K Narayanan and Smt. Anjana K R were appointed as Nominee Directors in the Board of Directors of HCSL with effect from March 26, 2022.

Committees of the Board

28. The Company has constituted a Securities Offer, Allotment and Transfer Committee. The Composition of the Committee and attendance record of members in the meetings held during the financial year 2021-22 is given below:

Sl. No.	Name	DIN	Designation	No. of Meetings Attended
1.	Shri Madhu S Nair	07376798	Chairman	3/3
2.	Shri N V Suresh Babu*	07482491	Member	0/0
3.	Shri Jose V J	08444440	Member	3/3

* Shri N V Suresh Babu ceased to be Director with effect from May 01, 2021.

29. Three meetings of the Committee were held during the financial year 2021-22 on May 07, 2021, August 25, 2021 and September 03, 2021 respectively. All the members were present at the said meetings.

Evaluation of Board's Performance

30. The Company being a wholly owned subsidiary of Cochin Shipyard Limited, a CPSE, is a Government Company as per the provisions of the Companies Act, 2013. The Ministry of Corporate Affairs vide notification GSR 463(E) dated June 05, 2015 has exempted Government Companies from complying with certain provisions of the Companies Act, 2013 which inter-alia provides that Section 134(3)(p) regarding statement on formal annual evaluation shall not apply to Government Companies in case the Directors are evaluated by the Ministry which is administratively in-charge of the Company as per its own evaluation methodology. Further, the said exemption notification also exempts the Government Companies from the provisions of Sub-Sections (2), (3) & (4) of Section 178 of the Companies Act, 2013 regarding appointment, performance evaluation and remuneration of Directors.

Declaration by Independent Directors

31. The Company has no Independent Directors on the Board as of now. The Company being a wholly owned subsidiary, is not required to appoint Independent Directors pursuant to the provisions of Rule 4(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

Directors Responsibility Statement

32. Your Directors state that:

- in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2021-22 and of the profit and loss of the Company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis; and

- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Contracts and Arrangements with Related Parties

33. During the financial year 2021-22, no Related Party Transactions have been entered into by the Company which attracted the provisions of Section 188 of the Companies Act, 2013. Further, your Directors draw attention to Note 34 to the financial statements which set out related party disclosures as per Indian Accounting Standard (Ind AS) 24.

Corporate Governance

34. Pursuant to the Office Memorandum (OM) F. No. 18(8)/2005-GM issued by the Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India on July 08, 2014, HCSL is exempt from the compliance with the Guidelines on Corporate Governance. However, the report on Corporate Governance prepared in compliance with the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the DPE is presented in a separate section forming part of the Annual Report.

Management Discussion and Analysis

35. The Management Discussion and Analysis Report for the year under review, as per the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises (DPE) is presented in a separate section forming part of the Annual Report.

Internal Financial Controls

36. The Company follows robust policies and procedures closely in line with that of the holding Company, CSL, to ensure the orderly and efficient conduct of the Company's business by safeguarding its assets, preventing and detecting errors and frauds, ensuring the accuracy and completeness of the accounting records and the timely preparation and submission of reliable financial disclosures.

Secretarial Standards of ICSI

37. Pursuant to the approval from the Ministry of Corporate Affairs, the Institute of Company Secretaries of India (ICSI) has on April 23, 2015, notified the Secretarial Standards

on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) effective July 01, 2015. The Company is complying with the same.

Statutory Auditors

38. M/s. RADS & Co (CA1369), Chartered Accountants, Kolkata, were appointed as the Statutory Auditors of the Company by the Comptroller & Auditor General of India (C&AG) for the financial year 2021-22.

Auditors Report

39. M/s. RADS & Co, Statutory Auditors have submitted their Report on the financial statements of the Company for the financial year ended March 31, 2022, on May 03, 2022, which forms part of the Annual Report. The Report does not contain any qualification, reservation or adverse remark or disclaimer.

Supplementary Audit

40. The Comptroller and Auditor General of India (C&AG) has entrusted the Supplementary Audit of the Company to the Office of The Director General of Audit (Mines), Kolkata, 1, Council House Street, Kolkata – 700 001. C&AG have decided not to conduct the supplementary audit of the financial statements of the Company for the year ended March 31, 2022.

Comments of C&AG

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

Secretarial Auditors

42. M/s. SVJS & Associates, Practicing Company Secretaries, Kochi, were appointed as the Secretarial Auditors of the Company to conduct the the Secretarial Audit under the Companies Act, 2013 for the financial year 2021-22.

Secretarial Auditors Report

43. M/s. SVJS & Associates, Secretarial Auditors have submitted their Report on May 03, 2022, which is placed at Annexure II to this Report. The Report does not contain any qualification, reservation or adverse remark or disclaimer.

Internal Auditors

44. The Board has appointed M/s. Ghosal Basu & Ray, Chartered Accountants, Kolkata, to conduct Internal Audit for the financial year 2021-22.

Maintenance of Cost Records

45. The maintenance of cost records as required under Section 148(1) of the Companies Act, 2013 is not applicable for the reporting period.

Vigilance

46. There were no vigilance cases pending/disposed off during the financial year 2021-22.

Right to Information Act, 2005

47. During the year under review, no requests were received by the Company under the Right to Information (RTI) Act, 2005.

Annual Return

48. A copy of the Annual Return of the Company as per Section 92(3) of the Companies Act, 2013 is available at the Company's website at www.hooghlycsl.com

Corporate Social Responsibility (CSR)

49. The Company being yet to commence its operations is not in a position to undertake CSR activities. Further, the Company does not fall within the purview of Section 135 of the Companies Act, 2013 which relates to CSR.

Details of Subsidiaries, Joint Ventures or Associate Companies

50. The Company does not have any subsidiaries, joint ventures or associate companies.

Details of frauds reported by Auditors under Section 143

51. Nil.

Material changes and commitments

52. 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.

Particulars of loans, guarantees or investments

53. During the year under Report, the Company has not:

- a) given any loan to any person or other body corporate;
- 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.

Details of change in nature of business

54. The Company is in the nascent stages of its business operations and is focusing on putting in place the required resources for the smooth running of its operations.

Deposits

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

Significant and Material orders

56. 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.

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

57. During the financial year 2021-22, no cases have been filed / disposed off under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed there under.

58. The Company has constituted an Internal Complaints Committee in accordance with the guidelines and norms prescribed by the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

Acknowledgement

59. The Board of Directors is extremely thankful for the continued patronage and support extended by the Hon'ble Prime Minister, Hon'ble Minister of Ports, Shipping & Waterways (MoPSW), Cochin Shipyard Limited (CSL), Kolkata Port Trust (KoPT) and all officers of the MoPSW, CSL and KoPT. The Board would also like to express its grateful appreciation for the support and co-operation from various offices of the Government of India, Government of West Bengal, various local bodies, the Comptroller & Auditor General of India, Auditors, Legal Counsels, Consultants, Suppliers, Sub-contractors, Bankers and Company's employees.

For and on behalf of the Board of Directors

Kochi
May 03, 2022

Madhu S Nair
Chairman
DIN: 07376798

Annexure I

A. Conservation of Energy

(i) Steps taken or impact on conservation of energy during the year 2021-22.	Steps Taken APFC panels are energized and getting rebate from CESC Dept. Energy monitoring system is active.
(ii) Steps taken for utilizing alternate sources of energy.	Tender floated for installation of 30KWP Solar Power Plant on top of Service Block roof top.
(iii) Capital investment on energy conservation equipments.	An amount of approximately Rs. 100 Lakhs have been invested for conservation of energy.

B. Technology Absorption

(i) Efforts made towards technology absorption	Automation Methodology
(ii) Benefits derived like product improvement, cost reduction, product development or import substitutions.	Production not yet commenced.
(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	
(a) The details of technology imported	Nil
(b) The year of import	N.A.
(c) Whether the technology been fully absorbed	N.A.
(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A.
(iv) Expenditure incurred on Research and Development	Nil

Annexure II

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2022

[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
Hooghly Cochin Shipyard Limited
Administrative Building
HCSL Premises, Satyen Bose Road
P.O. Danesh Shaikh Lane, Nazirgunge
Howrah - 711109, West Bengal

We, SVJS & Associates, Company Secretaries, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HOOGHLY COCHIN SHIPYARD LIMITED [CIN: U35900WB2017GOI223197]** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs warranted due to the spread of the COVID pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

- (ii) As informed to us, the following other laws are specifically applicable to the Company.

1. The Electricity Act, 2003 and the Regulations and Bye-laws framed there under;
2. The Industrial Employment Standing Orders Act and the Rules;
3. The Water (Prevention and Control of Pollution) Act 1974 and the Regulations and Bye-laws framed there under;
4. The Air (Prevention and Control of Pollution) Act, 1981 and the Regulations and Bye-laws framed there under;
5. The Environment (Protection) Act, 1986 and the Regulations and Bye-laws framed there under;
6. The Factories Act, 1948 and the Regulations and Bye-laws framed there under;
7. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

- (i) Secretarial Standards relating to Meetings of the Board of Directors (SS 1) and General Meetings (SS 2) issued by The Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, etc. mentioned above.

In respect of other laws specifically applicable to the Company we have relied on information/ records produced by the Company during the course of our audit and the reporting is limited to that extent.

We report that

The Board of Directors of the Company is duly constituted. All the Directors of the Company are Non-executive Directors.

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

Adequate notices were given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance and at shorter notice in certain cases in accordance with the provisions of the Act and Secretarial Standards, 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.

All decisions of the Board were unanimous and the same was captured and recorded as part of the minutes.

We further report that to the extent of our verification, 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

- 1. The Board of Directors had at their meeting held on 05th August, 2021 passed resolution to offer, issue and allot

Unsecured Redeemable Non Convertible Debentures for an amount of Rs. 31,00,00,000/- (Rupees Thirty One Crores only) vide private placement.

- 2. The Company had allotted 3,10,000 (Three Lakhs Ten Thousand) Unsecured Redeemable Non Convertible Debentures at Rs. 1,000/- (Rupees Thousand only) each aggregating to Rs. 31,00,00,000/- (Rupees Thirty One Crores only) by way of private placement on 03rd September, 2021.

We further report that during the audit period there were no instances of:

- (i) Public/ Right/ Preferential issue of shares/ debentures/ sweat equity
- (ii) Redemption/ buy-back of securities
- (iii) Merger/ amalgamation/ reconstruction etc.
- (iv) Foreign technical collaborations

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.

For SVJS & Associates
Company Secretaries

Jayan K.

Partner

FCS. 8154

CP. No. 7363

PR 648/2019

UDIN: F008154D000262276

Kochi
May 03, 2022

To
The Members
Hooghly Cochin Shipyard Limited
Administrative Building
HCSL Premises, Satyen Bose Road
P.O. Danesh Shaikh Lane, Nazirgunge
Howrah - 711109, West Bengal

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

- 1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
- 2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.
- 3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
- 4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- 5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
- 6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2022 but before issue of the Report.
- 7. We have considered actions carried out by the Company based on independent legal/ professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

Kochi
May 03, 2022

'Annexure A'

For SVJS & Associates
Company Secretaries

Jayan K

Partner

FCS. 8154

CP. No. 7363

PR 648/2019

UDIN: F008154D000262276

Management Discussion and Analysis Report

Forward looking statements

1. 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 (the "Act") and comply with the Accounting Standards specified under Section 133 of the Act. The management of Hooghly Cochin Shipyard Limited ("HCSL" or "the Company") has used estimates and judgments 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.
2. The following discussions on our financial condition and result of operations should be read together with our audited financial statements and the notes to these statements included in the annual report. Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company", "Hooghly Cochin Shipyard", "HCSL", "Group" are with respect to Hooghly Cochin Shipyard Limited and its holding Company.

Global Shipbuilding Industry

3. After East Asian countries became dominant players in the cargo shipbuilding industry in late 20th century, European industries started specialization in passenger vessels. The unprecedented spread of COVID-19 disrupted the status quo. However, of late with the recovery of COVID-19,

although the demand for passenger vessel has still not recovered, but East Asian ship producers are having trouble meeting the sharp rise in the demand for cargo vessels.

Indian Shipbuilding Industry

4. The Indian Shipbuilding Industry has recovered after the dip due to spread of COVID-19 in the country. However, it is felt that India's shipbuilding capabilities have not kept pace with its economic development, market demand and human resource potential. The government of India and Inland Waterways Authority of India (IWAI) has taken lot of initiative to boost effective utilisation of all water ways including inland and offshore by investing in Infrastructure developments and encouraging shipbuilding industries for Make in India production. This industry has yet to grow to its full potential and is limited by size and capacity constraints. However, despite numerous constraints, the shipbuilding industry is growing rapidly and is the focus of great interest on how it is going to shape up.

Government of India (GOI) Initiatives in Inland Waterways

5. India has about 14,500 km of navigable waterways which comprise of rivers, canals, backwaters, creeks, etc. About 55 million Tons of cargo is already being moved annually by Inland Water Transport (IWT) in a fuel-efficient and environment-friendly mode. The Government is actively working to develop inland waterways as an alternative mode of transport in the country, for which they have designated 111 National Waterways in the country. These waterways are being developed to make them operational/ navigable and usable for transportation. The marquee initiative in this regard is the Jal Marg Vikas Project (JMVP) for capacity augmentation of navigation on National Waterway-1 (NW-1), which is being implemented at a cost of Rs. 5,369.18 Crores with the technical assistance and investment support of the World Bank. The Project is expected to be completed by March 2023.

6. This initiative by Government of India has encouraged HCSL specifically to focus on improvised designs for inland water vessels such as Ro-Ro Vessels, Ro-Pax Vessels, Dredgers, Multipurpose & Mini Bulk Carriers, Inland Cruise Vessels, LPG Carriers etc.

Ship Repair Industry

7. Ship repair is generally considered as an evergreen industry, both globally as well as domestically. Ship being a floating structure requires regular inspection and maintenance of equipment and machinery for smooth and safe functioning during the ocean voyages and also during cargo handling operations at Ports. Ships are also generally governed by scheduled periodic repairs for which the Classification Society and other statutory bodies have formulated guidelines for periodic survey such as; special hull and machinery surveys every five years, dry-docking at two and half years and hull and machinery annual survey every year. Hence, ship repair yards generally have continuous and consistent flow of business which makes ship repair revenue generation more predictable as opposed to shipbuilding or shipping, which is often prone to pulls and pressures of market forces and cyclic change.

Operations

8. As an upcoming shipbuilding and ship repair yard, HCSL has tapped the ship repair market by undertaking major repairs of two vessels of IWAI and four vessels of IWT Assam in strict time line and delivering them to the best of satisfaction to the customer. During the reporting period, HCSL has bagged an order for design, procurement, fabrication, installation and testing of Box Caisson gate for CSL-Kolkata Ship Repair Unit (CKSRU) of CSL. Further, HCSL being focused in inland waterways segment has entered into an agreement with IWAI to act as consultants for setting up a new ship repair facility at Pandu, Assam, Guwahati. The proposed ship repair facility will cater for all vessels in the National Waterways 2 and North Eastern sector without any loss of valuable time, travelling to Kolkata for every minor repair.
9. All project work pertaining to "New Yard construction of HCSL" is completed and the yard is ready for production. At the end of the financial year 2021-22, physical progress to the tune of 99% is achieved for all civil, mechanical and electrical related works. All major jobs held up due to delay in erection of the 50 Ton crane are completed other than road and road painting which is in final stage of completion. Presently, all cranes including the 50 Ton crane are commissioned by third party agencies. The process for IMS Certification by IRS is under progress.

10. Further to that, handing and taking over of all civil structures and commissioning of all machinery/ equipment and cranes are completed. Due to delay in the erection of the 50 Ton crane, certain works of the mechanical, electrical and civil were held up as the crane has either restricted movement or occupied the area across the slipway. The present status of works is as given below:

- a. Fire System: Interconnectivity of the system between phase I & II in the slipway region is completed. Statutory approval from Fire Dept. is in progress.
- b. Gas System: Interconnectivity of the gas system between phase I & II in the slipway region is completed. Statutory approval from PESO is in progress.
- c. Winch & Cradle: Winch system is ready for commissioning, however, work on cradle locking mechanism is in progress. Commissioning of winch and cradle system, is due thereafter. Post commissioning of the system, lock gate will be positioned.
- d. Electrical System: Connectorization for all external systems are completed.
- e. Civil Works: All civil related works pertaining to flooring and road in the slipway region and trench clearing across both side of the slipway are completed post erection of 50 Ton crane. Final bituminous layer is pending.

11. The Company being yet to commence its operations has reported a loss of Rs. 283.61 Lakhs during the financial year 2021-22 (Rs. 315.70 Lakhs PY). The total capital expenditure incurred upto the financial year 2021-22 amounted to Rs. 1,386.80 Lakhs (Rs. 12,211.97 Lakhs upto PY).

Proposed Dividend

12. No dividend is recommended as the Company is in the project implementation stage and does not have divisible profits.

Segment wise/ product wise performance

13. The Company is in the project implementation stage and has not commenced its operations.

SWOT

14. The organization has determined external and internal issues that are relevant to its purpose and its strategic direction and that affect its ability to achieve the intended result(s) of its integrated management system. To achieve intended outcome, HCSL has analysed its Strength, Weakness, Opportunity and Threats (SWOT) with respect to integrated management system.

Strength	<ul style="list-style-type: none">- Strong commitment of management;- Long experience in ship building of parent organisation;- Use of modern technology;- Disposal of waste as per norm;- No complaint from locality;- Have a well qualified team for production;- High capacity equipment; and- A strong focus on health and safety.
Weakness	<ul style="list-style-type: none">- New establishment with people from different background;- Uncertain inflow of orders; and- Pending payments;
Opportunity	<ul style="list-style-type: none">- Atmanirbhar Bharat initiatives of the Government of India towards creating domestic demand for vessels; and- New product development with good design facilities.
Threat	<ul style="list-style-type: none">- Stiff competition from large players in the market;- Rising cost of labour;- Natural disasters; and- Long order realization process.

Risks and concerns

15. There is a great opportunity in the Indian shipbuilding industry in the recent past due to piling up of large number of new building orders be it for mercantile marine or Indian Navy. The delivery schedule has not picked at the same pace as the new building contracts were signed. One of the major reasons for the delayed delivery has been the delay in the arrival of equipment and machinery from the local and foreign suppliers. Other major reason for the delayed delivery is that, the shipyards took more orders than what they could easily execute with the existing infrastructure which failed to match with orders bagged. Other factors which attributed to delays include clearance from government/ third party, local protests/ labour issues and poor planning.

16. Taking all these factors into consideration, HCSL foresees a good opportunity in the emerging inland waterways and coastal shipping sector in India. It is therefore endeavouring to set up the requisite infrastructure, at Nazirgunge to cater to the needs of the inland waterways segment. The Company intends to mitigate the said risks

through professional project management, related eco system development programme including vendor base development, putting in place necessary warranties on equipment, machineries, plant etc., and ensuring insurance cover on its assets.

Internal Control

17. The Company has adopted robust policies and procedures to ensure the orderly and efficient conduct of the Company's business by safeguarding its assets, preventing and detecting errors and frauds, ensuring the accuracy and completeness of the accounting records and the timely preparation and submission of reliable financial disclosures.

Environmental Protection and Conservation, Technological conservation, Renewable energy developments, Foreign Exchange conservation

18. The Company has adopted automatic power factor control mechanism for efficient energy conservation and setting up 30KWP solar power plant as alternative source of energy

on top of Service Block inside the yard. Every possible automation methodology has been adopted for better functioning. The Company has not incurred any expenses in foreign currency during the year 2021-22.

Corporate Social Responsibility

19. Since, the Company is in the final stage of its project implementation and is yet to commence its operations, no attempt has been taken for Corporate Social Responsibility. In due course, efforts will be ensured towards the Corporate Social Responsibility aspects of the organisation.

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

Cautionary statement

20. Statement in this 'Management Discussion and Analysis Report' describing the objectives, expectations,

Kochi
May 03, 2022

Madhu S Nair
Chairman
DIN: 07376798

Report on Corporate Governance

Company's Philosophy on Corporate Governance

1. Hooghly Cochin Shipyard Limited ("HCSL/ Company") believes that good Corporate Governance facilitates effective and prudent management that can deliver the long-term success of the Company. Considering this, HCSL strives for good governance practices through transparency, fairness, accountability and stakeholder engagement. Pursuant to the Office Memorandum (OM) F. No. 18(8)/2005-GM issued by the Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India on July 08, 2014, the Company is exempt from the compliance with the Guidelines on Corporate Governance. However, the Company has prepared the report on Corporate Governance in compliance with the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by DPE.

Board of Directors

2. The Company was formed as a Joint Venture between Cochin Shipyard Limited (CSL) and Hooghly Dock & Port Engineers Limited (HDPEL) and as per the Joint Venture agreements, the Board shall comprise of not more than 11 persons. HDPEL shall have the right to nominate such

number of Directors as is proportionate to its shareholding in the Company subject to a minimum of two so long as the shareholding of HDPEL is maintained at a minimum of 10% in the Company. CSL shall have the right to nominate the remaining Directors subject to a minimum of 3 Directors, who shall be nominated for appointment on behalf of CSL by the Chairman and Managing Director of CSL.

3. However, as part of the 'Proposal for Liquidation & Restructuring of and providing improved Voluntary Retirement Scheme (VRS) for the employees of Hooghly Dock & Port Engineers Limited (HDPEL)', the Union Cabinet on October 03, 2019 accorded its approval for outright purchase by CSL of the Company's shares held by HDPEL at book value. Pursuant to the said approval, the 57,20,000 HCSL shares held by HDPEL was transferred to CSL on November 01, 2019 and with effect from the said date, HCSL became a wholly owned subsidiary of CSL. In view of the above and as per the existing Articles of Association of the Company and the approval of the Ministry of Ports, Shipping and Waterways on the Reconstitution of Governance Structure of Subsidiaries of CSL, the Chairman and Managing Director of CSL is authorized to nominate amongst the Whole-time Directors and officers of CSL not below the rank of General Manager, for appointment on the Board of HCSL.

4. As on March 31, 2022, the Board of the Company consists of six Non-Executive Directors. The Company has a Non-Executive Chairman. The composition of the Board during the financial year ended March 31, 2022 is as follows:-

Sl. No.	Name of the Director	Director Identification Number (DIN)	Category of Directorship
1.	Shri Madhu S Nair	07376798	Chairman
2.	Shri N V Suresh Babu #	07482491	Non-Executive Director
3.	Shri Bejoy Bhasker*	08103825	Non-Executive Director
4.	Shri Jose V J	08444440	Non-Executive Director
5.	Shri Sreejith K Narayanan**	09543968	Non-Executive Director
6.	Smt. Anjana K R**	09545253	Non-Executive Director
7.	Shri Chandra Mani Rout	06935852	Non-Executive Director

Shri N V Suresh Babu (DIN: 07482491) ceased to be Director with effect from May 01, 2021 consequent to his retirement on superannuation from the post of Director (Operations) in Cochin Shipyard Limited, the holding Company.

* Shri Bejoy Bhasker (DIN: 08103825), whose office as Director was liable to retire by rotation and being eligible was reappointed as the Director of the Company in the fourth Annual General Meeting held on September 15, 2021.

** Shri Sreejith K Narayanan (DIN: 09543968), Chief General Manager (Ship Repair), CSL and Smt. Anjana K R (DIN: 09545253), General Manager (Design), CSL, were appointed as CSL's Nominee Directors in the Board of Directors of HCSL for a period of three years with effect from March 26, 2022, coterminous with their service in CSL or until further orders, whichever is earlier.

5. Disclosure of relationship between Directors inter-se: Nil
6. The profile of the Directors who were on the Board of the Company as on March 31, 2022, including the nature of their expertise in specific functional areas is given in the first part of the Annual Report. The details of Directorships and committee positions held by these Directors are provided under the heading 'Directorships and Committee positions' below.

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

7. Four Board Meetings and an Extraordinary General Meeting (EGM) were held during the year under review. The gap between any two Board meetings has been less than one hundred and twenty days. The 04th Annual General Meeting (AGM) of HCSL was held on September 15, 2021. The details of attendance of Directors at the said Board Meetings, EGM and AGM are given below:

Name of the Director	Board Meeting				EGM	AGM
	2021			2022	May 27, 2021	Sep 15, 2021
	May 07	Aug 05	Nov 08	Feb 03		
Shri Madhu S Nair	✓*	✓	✓	✓	✓*	✓*
Shri Bejoy Bhasker	✓*	✓	✓	✓	✓*	✓
Shri Jose V J	✓*	✓	✓	✓	✓*	✓
Shri Chandra Mani Rout	✗	✓*	✗	✓*	✗	✓*

* Attended through audio visual means.

Directorships and Committee positions

8. The total number of Directorship(s)/Chairmanship(s) held by Directors and the positions of Membership/Chairmanship on Committees including Hooghly Cochin Shipyard Limited, as on March 31, 2022 are given below:

Name of the Director	No. of Directorship		Board Committees	
	Chairman	Member	Chairman	Member
Shri Madhu S Nair	-	3	-	-
Shri Bejoy Bhasker	-	-	-	3
Shri Jose V J	-	-	-	3
Shri Chandra Mani Rout	-	-	-	1
Shri Sreejith K Narayanan	-	-	-	1
Smt. Anjana K R	-	-	-	1

- The Directorships held by Directors as mentioned above does not include Alternate Directorships and 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.

Board Committees

9. The Company is in the process of setting up the required shipbuilding infrastructure facilities at Nazirgunge to commence the operations. Pursuant to the Office Memorandum (OM) F. No. 18(8)/2005-GM issued by the Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India on July 08, 2014, the Company is exempt from the compliance with the Guidelines on Corporate Governance.

10. The Company has constituted a Securities Offer, Allotment and Transfer Committee. The Composition of the Committee as on the date of this report and attendance record of members in the meetings held during the financial year 2021-22 is given below:

Sl. No.	Name	DIN	Designation	No. of Meetings Attended
1.	Shri Madhu S Nair	07376798	Chairman	3
2.	Shri N V Suresh Babu*	07482491	Member	N.A.
3.	Shri Jose V J	08444440	Member	3

* Shri N V Suresh Babu ceased to be Director with effect from May 01, 2021.

11. Three meetings of the Committee were held during the financial year 2021-22 on May 07, 2021, August 25, 2021 and September 03, 2021 respectively. All the members were present at the said meetings.

General Body Meetings

12. The date, time and venue of the last three Annual General Meetings (AGM) were as follows:

Financial Year	Date & Time	Venue	Special Resolution passed
2020-21	September 15, 2021	CSL Board Room, Administrative Building, Cochin Shipyard Premises, Perumanoor, Kochi, Kerala - 682015	No
2019-20	August 04, 2020 at 11.00 hrs.	Cochin Shipyard Limited, Administrative Building, Cochin Shipyard Premises, Perumanoor, Kochi, Kerala - 682015	No
2018-19	July 12, 2019 at 10.00 hrs.	The Lalit Great Eastern Kolkata, 1,2,3 Old Court House Street, Dalhousie Square, Kolkata, West Bengal – 700069	No

13. Further, the Company has also conducted an Extra Ordinary General Meeting (EGM) during the financial year 2021-22, the details of which are given below:

Date & Time	Venue	Special Resolution passed
May 27, 2021	Through Electronic Mode	Yes*

* Special Resolution for change of Registered Office of the Company.

14. The Fifth AGM of the Company is scheduled to be held on September 19, 2022 at 11.00 hrs. at CSL Board Room, Administrative Building, Cochin Shipyard Premises, Perumanoor, Kochi, Kerala - 682015.

Other Disclosures

(i) Related Party Transactions

15. During the year under review, the Company has not entered into any materially significant related party transactions that had or may have conflict with the interests of the Company at large.

(ii) Non-compliance by the Company

16. There were no cases of non-compliance by the Company and no penalties/ strictures were imposed on the Company by any statutory authority on any matter related to any guidelines issued by Government, during the last three years.

(iii) Whistle Blower Policy

17. The Company has an effective Whistle Blower Policy which provides the framework for Stakeholders to report to the management, instances of illegal or unethical practices, unethical behavior, actual or suspected fraud or violation of

the Company's code of conduct or ethics policy. The Whistle Blower and Fraud Prevention Policy adopted by Cochin Shipyard Limited (CSL), the holding Company, is applicable on the Company and acts as the Whistle Blower Policy/ Vigil Mechanism of Hooghly Cochin Shipyard Limited. The said Policy has been hosted on the website of CSL and can be accessed at https://cochinshipyard.in/investor/investor_titles/68. During the period under report no personnel has been denied access to the Audit Committee of CSL.

(iv) Compliance with DPE Guidelines on Corporate Governance

18. Pursuant to the Office Memorandum (OM) F. No. 18(8)/2005-GM issued by the Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India on July 08, 2014, the Company is exempt from the compliance with the Guidelines on Corporate Governance.

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

19. The Company has been complying with the Presidential Directives issued by Central Government with respect to the Public Sector Undertakings (PSU), wherever applicable.

(vi) Items of expenditure debited in books of accounts, which are not for the purposes of the business.

NIL

(vii) Expenses incurred which are personal in nature and incurred for the Board of Directors and top management.

NIL

(viii) The administrative and office expenses of the Company for the year 2021-22 were 47.86% (60.27% PY) of the total expenses. The financial expenses stood at 13.29% (16.86% PY) of the total expenses in the year 2021-22.

(ix) Means of communication of results

20. The Company, a wholly owned subsidiary of Cochin Shipyard Limited (CSL) is ready to commence the

operations. As the Company's shares are not listed in any of the stock exchanges, there is no statutory requirement for publishing the quarterly/ half yearly/ annual results. However, the consolidated financial results (quarterly/ half yearly/ annual) of CSL which takes into account the financial results of the Company as well is published as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The annual reports and the official news releases of the Company is placed at CSL's website www.cochinshipyard.in and the same shall be made available at the Company's website at www.hooghlycsl.com

(x) Audit Qualifications

21. The Report submitted by the Statutory Auditors, M/s. RADS & Co., with respect to the financial statements of the Company for the financial year 2021-22 does not contain any adverse remark.

(xi) Training of Board Members

22. Presently, the Company is focusing on putting in place the required shipbuilding infrastructure facilities at Nazirgunge to commence the operations and in the course of time the Board members will be provided training in various areas for the success of the business.

Address for Correspondence:

Hooghly Cochin Shipyard Limited
Administrative Building
HCSL Premises, Satyen Bose Road
P.O. Danesh Shaikh Lane, Nazirgunge
Howrah, West Bengal – 711 109
Tel: +91 (33) 26888282
Email: secretary.hcsl@cochinshipyard.in

For and on behalf of the Board of Directors

Madhu S Nair

Chairman
DIN: 07376798

Kochi
May 03, 2022

Independent Auditor's Report

To
The Members of
Hooghly Cochin Shipyard Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of HOOGLY COCHIN SHIPYARD LIMITED (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

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 as amended (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) 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, 2022, the loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) 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 Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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.

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 information included in the Annual report, but does not include the financial statements and our auditors' report thereon.

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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company

in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are 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 the 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 scepticism 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- Based on the verification of the records of the Company and based on information and explanations given to us we give report in "Annexure B" on the Directions issued by the Comptroller and Auditor General of India in terms of Section 143(5) of the Act.
- As required by Section 143(3) of the Act, based on our audit 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.
 - 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 Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - On the basis of the written representations received from the Directors as on March 31, 2022 taken on record by the Board of Directors, none of the Directors

is disqualified as on March 31, 2022 from being appointed as a Director in terms of Section 164(2) of the Act.

- 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.
- 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:
 - The Company does not have any pending litigation which would impact its financial position.
 - The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest

in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. The Company has not declared any dividend during the year.

For RADS & Co.
Chartered Accountants
[FRN: 320298E]

Dhiraj Kumar Agarwal
Partner

Kolkata
May 03, 2022

Membership Number: 067872
UDIN: 22067872AJCGIM4848

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Hooghly Cochin Shipyard Limited of even date)

To The Members of Hooghly Cochin Shipyard Limited

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) According to the information and explanations provided to us, Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations provided to us, the records examined by us, we report that, the Company does not have any freehold immovable properties of land and buildings as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- (d) According to the information and explanations provided to us, the Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year.
- (e) According to the information and explanations provided to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company does not have any physical inventories. Accordingly, reporting under Clause 3 (ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 Crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets.

Accordingly, the requirement to report on Clause 3(ii) (b) of the Order is not applicable to the Company.

- (iii) (a) According to the information and explanations given to us, during the year the Company has not provided advances in the nature of loans, or provided security or stood guarantee to companies, firms, Limited Liability Partnerships or any other parties.
- (b) According to the information and explanations provided to us, the terms and conditions of the grant of loans are not prejudicial to the Company's interest. Also, during the year the Company has not made investments, provided guarantees, provided security and granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.
- (c) According to the information and explanations provided to us, the Company has not granted any loan to entities covered in the register maintained under Section 189 of the Companies Act, 2013.
- (d) According to the information and explanations provided to us, there are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) According to the information and explanations provided to us, there were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to the information and explanations provided to us, the Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on Clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) According to the information and explanations provided to us, there are no loans granted, investments made, guarantees and securities given by the Company to which provisions of Sections 185 and 186 of the Act are applicable

and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable and hence not commented upon.

- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on Clause 3(v) of the Order is not applicable and hence not commented upon.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company.
- (vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other applicable statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of applicable statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.
- (viii) According to the information and explanations provided to us, the Company has not surrendered or disclosed an income in tax assessments during the year under the Income tax Act, 1961 any transaction, previously not recorded in the books of account. Accordingly, the requirement to report on Clause 3(viii) of the Order is not applicable and hence not commented upon.
- (ix) (a) According to the information and explanations provided to us, the Company has not defaulted in repayment of any dues to financial institutions, banks, governments, or debenture holders.
- (b) According to information and explanations provided to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations provided to us, the Company did not have any

term loans outstanding during the year hence, the requirement to report on Clause (ix)(c) of the Order is not applicable and hence not commented upon.

- (d) According to the information and explanations provided to us and based on the overall examination of the financial statements, no funds raised by the Company on short-term basis have been used for long-term purposes.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. Hence, the requirement to report on Clause (ix)(e) of the Order is not applicable to the Company.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. Hence, the requirement to report on Clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer/ further public offer (including debt instruments) hence, the requirement to report on Clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations provided to us, the Company has not made any preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures during the year. Accordingly, the requirement to report on Clause 3(x)(b) of the Order is not applicable and hence not commented upon.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations provided to us, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (b) During the year, no report under Sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by cost auditor or secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) In our opinion, the Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirements to report on Clause 3(xii)(a) (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

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

(xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

(xv) According to the information and explanations provided to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with its Directors. Accordingly, requirement to report on Clause 3(xv) of the Order is not applicable to the Company and hence not commented upon.

(xvi) (a) In our opinion and according to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on Clause (xvi)(a) of the Order is not applicable and hence not commented upon.

(b) According to the information and explanations provided to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities as per the Reserve Bank of India Act, 1934.

(c) According to the information and explanations provided to us, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on Clause 3(xvi) of the Order is not applicable and hence not commented upon.

(d) According to the information and explanation provided to us, there are no Core Investment Companies in the Group as defined in the Core Investment Companies (Reserve Bank) Directions. Accordingly, the requirement to report on Clause 3(xvi) of the Order is not applicable and hence not commented upon.

(xvii) The Company has incurred a cash loss of ₹ 342.85 Lakhs during the year and a cash loss of ₹ 374.93 Lakhs during the immediately preceding financial year.

(xviii) There has been no resignation of statutory auditors of the Company during the year. Accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable and hence not commented upon.

(xix) In our opinion and according to the information and explanations provided to us and on the basis of the financial ratios disclosed in Note 37 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of our audit report that Company is not capable of meeting its liabilities as at the date of balance sheet as and when they fall due within a period of one year from the date of balance sheet. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that the Company will not be able to meet all liabilities as and when they fall due within a period of one year from the date of balance sheet.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to Sub-section 5 of Section 135 of the Act.

(b) In our opinion and according to the information and explanations provided to us, there are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in accordance of provision of Sub-section (6) of Section 135 of Companies Act. Accordingly, the requirement to report on Clause 3(xx)(b) of the Order is not applicable and hence not commented upon.

For RADS & Co.
Chartered Accountants
[FRN: 320298E]

Dhiraj Kumar Agarwal
Partner

Kolkata
May 03, 2022

Membership Number: 067872
UDIN: 22067872AJCGIM4848

Annexure ‘B’ to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Hooghly Cochin Shipyard Limited of even date)

Report on the Directions under Section 143(5) of the Companies Act, 2013 for the year ended 31 March, 2022

Based on the verification of the records of the Company and based on information and explanations given to us we give here below a report on the Directions issued by the Comptroller and Auditor General of India in terms of Section 143(5) of the Act:

- a) The Company’s accounting records are maintained in IT system. As such, there is no recording of transactions outside the system, and hence no financial implication in this respect.
- b) There has been no instance of restricting of existing loans or instances of waiver/ write off of debts/ loans/ interest etc. during the year.
- c) The Company has not received any specific funds under any specific scheme and as such the question of utilisation does not arise.

For RADs & Co.
Chartered Accountants
[FRN: 320298E]

Dhiraj Kumar Agarwal
Partner
Membership Number: 067872
UDIN: 22067872AJCGIM4848

Kolkata
May 03, 2022

Annexure ‘C’ to the Independent Auditor’s Report

(Referred to in paragraph 3 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Hooghly Cochin Shipyard Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of HOOGHLY COCHIN SHIPYARD LIMITED (the “Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “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 respective 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial control over financial reporting of the Company 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 prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance

Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial

reporting were operating effectively as at March 31, 2022, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For RADS & Co.
Chartered Accountants
[FRN: 320298E]

Kolkata
May 03, 2022

Dhiraj Kumar Agarwal
Partner
Membership Number: 067872
UDIN: 22067872AJCGIM4848

COMMENTS OF THE COMPTROLLER AND AUDITOR-GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF HOOGLY COCHIN SHIPYARD LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of financial statements of Hooghly Cochin Shipyard Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with 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 03 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Hooghly Cochin Shipyard Limited for the year ended 31 March 2022 under Section 143(6)(a) of the Act.

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

Kolkata
June 02, 2022

(Suparna Deb)
Director General of Audit (Mines), Kolkata

Balance Sheet

as at 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2	14,537.12	11.59
(b) Right of Use Assets	3	579.12	589.47
(c) Intangible assets	4	550.06	559.77
(d) Capital work-in-progress	5	1,386.80	12,211.97
(e) Financial Assets:			
(i) Other financial assets	6	0.36	0.34
(f) Deferred tax assets (net)	7	253.34	154.48
(g) Income tax assets (net)	8	22.60	51.06
(h) Other non-current assets	9	44.81	47.66
		17,374.21	13,626.34
(2) Current assets			
(a) Financial assets			
(i) Trade Receivables	10	49.96	-
(ii) Cash and cash equivalents	11	3,193.70	3,621.57
(iii) Bank balances other than Cash and cash equivalents	12	109.07	105.61
(iv) Other financial assets	13	3.82	6.09
(b) Other current assets	14	1,142.28	773.96
		4,498.83	4,507.23
Total Assets		21,873.04	18,133.57
EQUITY AND LIABILITIES			
Equity :			
(a) Equity Share capital	15	5,000.00	5,000.00
(b) Other Equity	16	(1,018.33)	(734.72)
		3,981.67	4,265.28
Liabilities :			
(1) Non-current liabilities			
(a) Financial liabilities:			
(i) Borrowings	17	13,100.00	10,000.00
(ii) Lease liabilities	18	621.08	607.34
(b) Provisions	19	9.09	-
		13,730.17	10,607.34
(2) Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	20	43.08	42.03
(ii) Other financial liabilities	21	2,671.09	564.32
(b) Other current liabilities	22	32.90	34.27
(c) Provisions	23	1,414.13	2,620.33
		4,161.20	3,260.95
Total Equity and Liabilities		21,873.04	18,133.57
Notes forming part of the financial statements	1-39		

In terms of our report of even date

For and on behalf of Board of Directors

For **RADS & CO**
Chartered Accountants
(Firm Registration No. 320298E)

MADHU S NAIR
Chairman
(DIN 07376798)

JOSE V J
Director
(DIN 08444440)

SHEKHAR CHAKRAVARTY
Chief Executive Officer

DHIRAJ KUMAR AGARWAL
Partner
(Membership No. 067872)

SAIBAL CHATTOPADHYAY
Chief Financial Officer

KIRAN K A
Company Secretary
M. No. A36050

Kolkata
May 03, 2022

Kochi
May 03, 2022

Statement of Profit and Loss

for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March, 2022	Year ended 31st March, 2021
I Income			
Revenue from operations	24	41.78	-
Other income	25	3.38	40.77
Total Income		45.16	40.77
II Expenses:			
Sub contract and other direct expenses	26	17.08	-
Employee benefit expenses	27	66.90	25.28
Finance costs	28	56.82	75.57
Depreciation & Amortisation expenses	29	39.62	32.61
Other expenses	30	247.21	314.85
Total expenses		427.63	448.31
III Profit/(Loss) before tax		(382.47)	(407.54)
IV Tax expense:			
(1) Current tax		-	-
(2) Deferred tax	7	(98.86)	(91.84)
V Profit/(Loss) for the year		(283.61)	(315.70)
VI Other comprehensive income/(loss)			
Total other comprehensive income/(loss) for the year		-	-
VII Total Comprehensive Income/(loss) for the year		(283.61)	(315.70)
VIII Earnings per equity share of ₹ 10 each:			
(1) Basic (₹)	31	(0.57)	(0.95)
(2) Diluted (₹)	31	(0.57)	(0.95)
IX Notes forming part of the financial statements	1-39		

In terms of our report of even date

For and on behalf of Board of Directors

For **RADS & CO**
Chartered Accountants
(Firm Registration No. 320298E)

MADHU S NAIR
Chairman
(DIN 07376798)

JOSE V J
Director
(DIN 08444440)

SHEKHAR CHAKRAVARTY
Chief Executive Officer

DHIRAJ KUMAR AGARWAL
Partner
(Membership No. 067872)

SAIBAL CHATTOPADHYAY
Chief Financial Officer

KIRAN K A
Company Secretary
M. No. A36050

Kolkata
May 03, 2022

Kochi
May 03, 2022

Statement of Cash Flows

for the year ended 31st March, 2022

(₹ in Lakhs)		
Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
A Cash flows from operating activities:		
Profit before tax	(382.47)	(407.54)
Adjustments for:-		
Depreciation and amortisation	39.62	32.61
Finance cost	56.82	75.57
Interest income	(0.90)	(26.10)
Unwinding of security deposit	(0.03)	(0.03)
Amortisation of advance lease rent	0.66	0.66
Operating Profit before changes in non-current/current assets and liabilities	(286.30)	(324.83)
Adjustments for:		
(Increase) / Decrease in trade receivable and other current assets	(418.28)	(251.66)
(Increase) / Decrease in other non-current assets	2.18	208.72
Increase / (Decrease) in current liabilities	1,659.71	236.81
Increase / (Decrease) in provisions	(1,197.11)	2,122.75
Cash generated from/(used in) operations	(239.80)	1,991.79
Income Tax Paid	28.46	(6.54)
Net cash from/(used in) operating activities	(211.34)	1,985.25
B. Cash flows from investing activities		
Purchase of Property Plant and Equipment	(31.59)	(0.07)
Investment in CWIP	(2,956.62)	(8,570.42)
Interest received	3.17	26.78
Net (Investment in) / Redemption of Term Deposits	(3.46)	(5.61)
Net cash from/(used in) investing activities	(2,988.50)	(8,549.32)
C. Cash flows from financing activities		
Payment of lease liabilities	(42.03)	(44.84)
Proceeds from issue of rights shares	-	2,800.00
Proceeds from issue of Debentures	3,100.00	-
Proceeds from issue of preference shares	-	5,600.00
Proceeds from availment of short term loan	-	1,000.00
Repayment of Short term loan	-	(1,000.00)
Interest paid	(286.00)	-
Net cash from/(used in) financing activities	2,771.97	8,355.16
Net increase / (decrease) in cash and cash equivalents	(427.87)	1,791.09
Opening cash and cash equivalents	3,621.57	1,830.48
Closing cash and cash equivalents (refer note 11)	3,193.70	3,621.57
Notes forming part of the financial statements 1-39		

In terms of our report of even date	For and on behalf of Board of Directors		
For RADS & CO Chartered Accountants (Firm Registration No. 320298E)	MADHU S NAIR Chairman (DIN 07376798)	JOSE V J Director (DIN 084444440)	SHEKHAR CHAKRAVARTY Chief Executive Officer
DHIRAJ KUMAR AGARWAL Partner (Membership No. 067872)	SAIBAL CHATTOPADHYAY Chief Financial Officer	KIRAN K A Company Secretary M. No. A36050	
Kolkata May 03, 2022	Kochi May 03, 2022		

Statement of Changes in Equity

for the year ended 31st March, 2022

A. Equity Share Capital

(₹ in Lakhs)

Balance as at 1st April, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at 31st March, 2022
5,000.00	-	-	-	5,000.00

(₹ in Lakhs)

Balance as at 1st April, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes during the year	Balance as at 31st March, 2021
2,200.00	-	-	2,800.00	5,000.00

B. Other Equity

(₹ in Lakhs)

Particulars	Retained Earnings	Total
Balance as at 1st April, 2021	(734.72)	(734.72)
Changes in accounting policy/prior period errors	-	-
Restated balance at the beginning of the current reporting period	(734.72)	(734.72)
Total Comprehensive Income for the year	(283.61)	(283.61)
Dividends	-	-
Transfer to retained earnings	-	-
Balance as at 31st Match, 2022	(1,018.33)	(1,018.33)

(₹ in Lakhs)

Particulars	Retained Earnings	Total
Balance as at 1st April, 2020	(419.02)	(419.02)
Changes in accounting policy/prior period errors	-	-
Restated balance at the beginning of the current reporting period	(419.02)	(419.02)
Total Comprehensive Income for the year	(315.70)	(315.70)
Dividends	-	-
Transfer to retained earnings	-	-
Balance as at 31st Match, 2021	(734.72)	(734.72)

C. Notes forming part of the financial statements

Notes 1-39

In terms of our report of even date	For and on behalf of Board of Directors		
For RADS & CO Chartered Accountants (Firm Registration No. 320298E)	MADHU S NAIR Chairman (DIN 07376798)	JOSE V J Director (DIN 084444440)	SHEKHAR CHAKRAVARTY Chief Executive Officer
DHIRAJ KUMAR AGARWAL Partner (Membership No. 067872)	SAIBAL CHATTOPADHYAY Chief Financial Officer	KIRAN K A Company Secretary M. No. A36050	
Kolkata May 03, 2022	Kochi May 03, 2022		

Notes to Financial Statements

for the year ended 31st March, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013. In accordance with the notification issued by the Ministry of Corporate Affairs, the holding Company, Cochin Shipyard Limited, has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1st April, 2016. The Company HCSL has prepared its financial statements in accordance with Ind AS as applicable to its Holding Company Cochin Shipyard Limited which has decisive majority of its equity share capital.

1.2 Basis of preparation of financial statements

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair value by Ind AS.

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.

The preparation of the financial statements in conformity with 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.

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

1.3 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 and liabilities

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Significant judgements are involved in determining the elements of deferred tax items. Also, in this connection Note no.1.16 on Deferred tax may be referred to.

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 circumstances 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 Financial Statements

for the year ended 31st March, 2022

Contingencies and commitments

The normal course of business may give rise to circumstances that have the potential to cast future liabilities on the Company resulting in outflow of resources in the future. These circumstances may include claims against the Company that are disputed by it. The crystallization of such liabilities and their quantum depend upon the outcome of certain events, viz., judgements in lawsuits that cannot be predicted. These liabilities are not recognized in the financial statements, but the circumstances that give rise to them are disclosed as part of the notes thereto.

Recoverability of advances/ receivables

The Company makes provision for expected credit loss based on 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 measurement

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 instruments. 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 arms length transaction at the reporting date.

1.4 Leases

As a lessee

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of

ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

(i) Accounting for Leases

The Company in accordance with the relevant applicable accounting standards has identified the leased out assets that conveys the holder of the asset for the Right of Use of the identified asset either explicitly or implicitly in the contract that contains the lease agreement for a period of time in exchange for a consideration.

(ii) Recognition of Right of Use and Lease Liability

The Right of Use (ROU) for the identified asset and equivalent lease liability for the period of lease are recognised at the inception of the lease and disclosed in the Balance sheet. ROU will be measured at cost and lease liability at the present value of the lease payments that are not paid at the initial recognition date. The present value of lease liability is determined using the interest rate implicit in the lease or incremental borrowing rate as applicable. Such lease accounting is not applied in cases where the lease term is of shorter term of less than 12 months or for which the underlying value is low.

The ROU arrived at shall be remeasured in subsequent periods at cost less accumulated amortisation and impairment. The lease liability shall be remeasured subsequently at amortised cost using the effective interest rate method.

As a lessor

Lease income is recognised based on the lease agreements and is charged to the standalone statement of Profit or Loss.

1.5 Property, Plant and Equipment (PPE)

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

Notes to Financial Statements

for the year ended 31st March, 2022

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. PPE are stated at cost less accumulated depreciation (other than freehold land which are stated at cost) and impairment losses, if any. 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 it is replaced. All other expenses on repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

1.6 Capital work in progress

Capital work in progress are items of Property, Plant and Equipment that are under construction or development and are not yet ready for their intended use at the reporting date. These are carried at cost comprising direct cost, related incidental expenses and attributable borrowing cost.

1.7 Depreciation

Depreciation is calculated on cost of items of Property, Plant and Equipment less their estimated residual values and is charged to Standalone Statement of Profit and Loss. 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. An item of Property, Plant & 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 standalone Statement of Profit and Loss when the asset is derecognised. Fully depreciated assets still in use are retained in standalone financial statements at residual value.

Depreciation method, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

Useful lives considered for calculation of depreciation for various asset classes are as follows:

Asset Class	Useful Life
Buildings including electrical installations	3-60 years
Plant & Machinery	15 years
Furniture & Fixtures	10 years
Office Equipments	5 years
Data processing equipments including Software	3 years
Roads	10 years
Fences	5 years

The useful lives have been determined based on internal evaluation done by management and are in line with the estimated useful lives, to the extent prescribed by the Schedule II of the Companies Act, 2013, in order to reflect the technological obsolescence and actual usage of the asset. The residual values are not more than 5% of the original cost of the asset.

Depreciation is calculated on a pro-rata basis for assets purchased/ sold during the period.

1.8 Intangible Assets

Up-front fees and/ or other consideration 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 for which the right is acquired, commencing from the date on which the right becomes capable of being exercised.

1.9 Financial instruments

Financial assets and liabilities are recognised when the entity 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 Financial Statements

for the year ended 31st March, 2022

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 profit or 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 profit or 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.

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.

Off setting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in financial statements if there is a

currently enforceable legal right to off set the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.10 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.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

1.11 Revenue Recognition

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 repair.

Interest income on financial assets (including deposits with banks) is recognised using the effective interest method on a time proportionate basis

1.12 Employee Benefits

Short-term employee benefits

Employee benefit liabilities such as salaries, wages and bonus, etc., that are expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled

Notes to Financial Statements

for the year ended 31st March, 2022

Post-employment benefit plans

Defined contribution plans

The Company pays provident fund contributions to the appropriate government authorities. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when an employee renders the related service.

Defined benefit plans

Defined benefit plans of the Company comprises gratuity. The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The gratuity plan of the Company is unfunded. The liability recognised in the Standalone Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost and other costs are included in employee costs in the Standalone Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the Standalone Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Changes in the present value of the defined benefit obligation resulting from settlement or curtailments are recognised immediately in Standalone Statement of Profit and Loss as past service cost.

Other long-term employee benefits

Compensated absences

The Company's net obligation in respect of compensated absences is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous periods. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method. Remeasurements are recognised in Standalone Statement of Profit and Loss in the period in which they arise.

1.13 Borrowing costs

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 capitalised as part of cost of such assets up to the date when such assets are ready for 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/ Loss in the period in which they are incurred.

1.14 Prior Period Adjustments

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 the prior periods presented in which the error occurred or if the error occurred before the earliest financial period presented, by restating the opening statement of financial position.

1.15 Taxes on Income

Tax expense comprises of current tax and deferred tax. It is recognised in the Standalone Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax

Notes to Financial Statements

for the year ended 31st March, 2022

reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted for the relevant reporting period. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that is probable that future taxable profits will be available against which they can be used. Deferred tax assets, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised. Significant management judgement is required to determine the probability of deferred tax asset. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which

the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets levied by the same tax authorities.

1.16 Earnings Per Share

Basic and diluted earnings per share are calculated by dividing the net profit attributable to equity shareholders by the weighted average number of equity shares/ dilutive potential equity shares outstanding as at the end of the reporting period as the case may be.

1.17 Cash flow statement

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 cash flow statement, Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts, if any. Bank overdrafts are disclosed within borrowings in current liabilities in the Balance Sheet.

Notes to Financial Statements

for the year ended 31st March, 2022

Note 2 : Property, Plant and Equipment

2.1 Tangible Assets

Particulars	Gross Block			Depreciation			Net Block	
	As at 1st April, 2021	Additions during the period	Disposals during the period	As at 31st March, 2022	For the period	Disposals during the period	As at 31st March, 2022	As at 31st March, 2021
Buildings: Temporary Structure	26.81	-	-	26.81	5.90	-	25.47	7.24
Office Buildings*	-	1,146.41	-	1,146.41	0.24	-	0.24	-
Factory Buildings*	-	7,740.13	-	7,740.13	3.19	-	3.19	-
Plant and Machinery	1.90	3,950.60	-	3,952.50	3.42	-	3.60	1.72
Furniture and Fixtures	0.28	42.95	-	43.23	0.08	-	0.16	0.20
Office Equipments	0.17	33.55	-	33.72	0.05	-	0.29	0.12
Data Processing Equipments	7.72	10.91	-	18.63	3.70	-	9.46	1.96
Roads*	-	309.77	-	309.77	0.38	-	0.38	-
Fences	-	452.91	-	452.91	1.12	-	1.12	-
Electrical Installations-Office buildings	-	106.84	-	106.84	0.02	-	0.02	-
Electrical Installations-Factory buildings	-	721.93	-	721.93	0.30	-	0.30	-
Motor Vehicles	-	29.09	-	29.09	0.80	-	0.80	-
Total	36.88	14,545.09	-	14,581.97	19.39	-	45.03	11.24
Previous Year	36.81	0.07	-	36.88	11.10	-	25.64	11.24

2.2 Intangible Assets

Particulars	Gross Block			Depreciation			Net Block	
	As at 1st April, 2021	Additions during the period	Disposals during the period	As at 31st March, 2022	For the period	Disposals during the period	As at 31st March, 2022	As at 31st March, 2021
Software	0.53	-	-	0.53	0.17	-	0.35	0.35
Total	0.53	-	-	0.53	0.17	-	0.35	0.35
Previous Year	0.53	-	-	0.53	0.17	-	0.18	0.35

* The title deeds of Office Building, Factory Building and Roads are not held in the name of Company, as the land is in the name of Government of India which were taken on lease for a period of 59 years and the Company had constructed immovable properties on the same.

Notes to Financial Statements

for the year ended 31st March, 2022

Note 3 : Right of Use Assets

Particulars	Gross Block			Depreciation			Net Block	
	As at 1st April, 2021	Additions during the period	Disposals during the period	As at 31st March, 2022	For the period	Disposals during the period	As at 31st March, 2022	As at 31st March, 2021
Value of Right of use - Land at Nazirgunge (5.31 Acres)	128.36	-	-	128.36	2.18	-	6.54	124.00
Value of Right of use - Land at Nazirgunge (10.45 Acres)	248.86	-	-	248.86	4.24	-	11.64	241.46
Value of Right of use - Land at Salkia (9.91 Acres)	228.91	-	-	228.91	3.93	-	8.83	224.01
Total	606.13	-	-	606.13	10.35	-	27.01	589.47
Previous Year	377.22	228.91	-	606.13	11.32	-	16.66	589.47

Note 4 : Intangible Assets (Value of Leasehold Land)

Particulars	Gross Block			Amortisation			Net Block	
	As at 1st April, 2021	Additions during the period	Disposals during the period	As at 31st March, 2022	For the period	Disposals during the period	As at 31st March, 2022	As at 31st March, 2021
Leased Land at Nazirgunge (5.31 Acres)-Right to use	118.94	-	-	118.94	1.98	-	6.18	114.74
Leased Land at Nazirgunge (10.45 Acres)-Right to use	234.07	-	-	234.07	3.97	-	10.91	227.13
Leased Land at Salkia (9.91 Acres)-Right to use	221.99	-	-	221.99	3.76	-	7.85	217.90
Total	575.00	-	-	575.00	9.71	-	24.94	559.77
Previous Year	353.01	221.99	-	575.00	10.03	-	15.23	559.77

Notes to Financial Statements

for the year ended 31st March, 2022

Note 5 : Capital work-in-progress

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Project Management fees and miscellaneous capital expenditure	1,386.80	12,211.97
Total	1,386.80	12,211.97

CWIP ageing schedule as at 31st March, 2022 is given below:

(₹ in Lakhs)

Projects in Process	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Fire fighting works	46.18	130.05	68.22	-	244.45
Gas piping works	14.72	94.23	20.26	-	129.21
ELV works	12.03	59.35	-	-	71.38
Winch and winch systems	13.19	320.23	-	-	333.42
Repositioning of existing slipway	18.63	22.51	-	-	41.14
Cradle system	196.73	234.61	-	-	431.34
10T Capston	26.01	4.82	-	-	30.83
Compressor and Air dryer	88.59	16.44	-	-	105.03
Total	416.08	882.24	88.48	-	1,386.80

CWIP ageing schedule as at 31st March, 2021 is given below:

(₹ in Lakhs)

Projects in Process	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Civil works	3,652.81	2,395.88	8.67	-	6,057.36
Electrical Works	476.62	-	-	-	476.62
Gas piping works	74.00	20.26	-	-	94.26
Fire fighting works	91.78	68.22	-	-	160.00
ELV Works	48.18	-	-	-	48.18
HVAC Works	25.37	-	-	-	25.37
250KVA DG set	14.54	-	-	-	14.54
500 KVA DG Set	28.47	-	-	-	28.47
Electronic weigh bridge	18.33	-	-	-	18.33
Winch	268.03	-	-	-	268.03
Plasma cutting machine	295.08	-	-	-	295.08
Hydraulic press	179.90	-	-	-	179.90
Lathe machine	11.52	-	-	-	11.52
Minor cranes	212.86	-	-	-	212.86
Pipe bending machine	70.10	-	-	-	70.10
Plate preservation system	402.45	-	-	-	402.45
Radial drilling machine	13.45	-	-	-	13.45
Vertical milling machine	15.45	-	-	-	15.45
Tower cranes	240.00	-	-	-	240.00

Notes to Financial Statements

for the year ended 31st March, 2022

Note 5 : Capital work-in-progress (Contd..)

(₹ in Lakhs)

Projects in Process	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Cradle system	167.08	-	-	-	167.08
Gantry crane	254.07	-	-	-	254.07
Storage tank	45.60	-	-	-	45.60
Slipway and lock gate	16.09	-	-	-	16.09
Major cranes	974.39	-	-	-	974.39
Arc welding booth	6.99	-	-	-	6.99
Gas cutting booth	3.70	-	-	-	3.70
Farana crane	16.50	-	-	-	16.50
Pallet truck	0.35	-	-	-	0.35
Civil works-Model room	21.66	-	-	-	21.66
Furniture	35.84	-	-	-	35.84
Moving and manual sheet	356.35	-	-	-	356.35
Battery operated truck	9.20	-	-	-	9.20
Canteen equipments	22.88	-	-	-	22.88
Rack systems	5.75	-	-	-	5.75
Bollard and Fender	11.02	-	-	-	11.02
Signage Boards	6.61	-	-	-	6.61
Paver block	3.49	-	-	-	3.49
Fork lift and stacker	28.82	-	-	-	28.82
Anchor chain	8.06	-	-	-	8.06
Overheads Capitalised	719.11	328.11	538.33	-	1,585.55
Total	8,852.50	2,812.47	547.00	-	12,211.97

The Company has availed of services of personnel from its Holding Company, Cochin Shipyard Limited, on secondment basis towards activities carried out for the augmentation of the project. The Company accounts for the costs incurred on the above personnel on "Cost to Company" (CTC) basis which is to be reimbursed to the service provider. Since these costs are exclusively for refurbishment of the existing facilities, they are taken to Capital work-in-progress under the head Employee Manpower Costs, which will be capitalised on completion of the capital project.

During the year, Company has transferred an amount of ₹ 14,513.50 Lakhs from capital work-in-progress to Property, Plant and Equipment for the projects completed during the financial year 2021-22.

Note 6 : Other Financial Assets: Non-Current

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Security deposits	0.36	0.34
Total	0.36	0.34

Notes to Financial Statements

for the year ended 31st March, 2022

Note 7 : Deferred tax assets (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred tax assets	397.52	154.48
Less: Deferred tax liabilities	144.18	-
Total	253.34	154.48

Movement in deferred tax assets/ (liabilities) balances:

Particulars	Net balance 1 April 2021	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2022
Property, plant and equipment and intangible assets	0.89	(145.06)	-	(144.18)
Unabsorbed depreciation and carry forward of losses	153.59	241.59	-	395.19
Employee related provisions and liabilities	-	2.33	-	2.33
Total	154.48	98.86	-	253.34

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority

In assessing the reliability of deferred income tax assets, the management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

The yard set up by the Company is ready for commencing commercial operations and all major machineries and other ancillary facilities have been commissioned by March 2022. It has already received orders for fabrication of a Cassion Gate from its holding company, Cochin Shipyard Limited. It has also been nominated for building of a Ship Repair Yard at Pandu, Guwahati, Assam from Inland Waterways Authority of India (IWAI) and the Company expects to earn agency commission from the same by execution of the above project. As per Board approved business plan, the Company is expected to start generating profits from the financial year 2024-25. Based on the same, management of the Company believes that, it will earn sufficient future taxable profits to absorb the deferred tax assets.

Note 8 : Income tax assets (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance income tax (net of provision for taxation)	22.60	51.06
Total	22.60	51.06

Notes to Financial Statements

for the year ended 31st March, 2022

Note 9 : Other non-current assets

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured, considered good		
Security deposits	7.72	9.91
Advance lease rental	37.09	37.75
Total	44.81	47.66

Note 10 : Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured, considered good, unless otherwise stated		
Trade Receivables		
From Others	49.96	-
Total	49.96	-

Ageing for trade receivables outstanding as at March 31, 2022 is as follows:

(₹ in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	-	49.96	-	-	-	-	49.96
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	-	49.96	-	-	-	-	49.96

Note 11 : Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance with Banks		
- In current account*	1,775.44	7.31
- deposits with original maturity of less than three months	1,418.26	3,614.26
Total	3,193.70	3,621.57

*Out of the amount of ₹1,775.44 Lakhs, ₹1,000 Lakhs represents amount received as Security Deposit from Inland Waterways Authority of India (IWAI) towards Pandu Project which will be maintained by the Company in a separate bank account and will be settled at the end of the project. However, the interest earned, if any from the maintenance of such amount will be income to the Company and not to be given to IWAI.

Further, an amount of ₹ 483.51 Lakhs and ₹ 239.40 Lakhs has been received in March, 2022 towards the works for Caisson gate given by CSL and towards the IWAI Project at Pandu respectively.

Notes to Financial Statements

for the year ended 31st March, 2022

Note 12 : Bank Balances other than Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Term Deposits with banks with original maturity more than 3 months and less than 12 months	109.07	105.61
Total	109.07	105.61

Note 13 : Other Financial Assets - Current

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Interest accrued on fixed deposits	3.82	6.09
Total	3.82	6.09

Note 14 : Other Current Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured advances		
Miscellaneous deposits (Unutilised GST Input Credit)	1,020.98	709.44
Prepaid expenditure	28.80	0.92
Miscellaneous current assets	92.50	63.60
Total	1,142.28	773.96

Note 15 : Equity Share Capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number	₹ in lakhs	Number	₹ in lakhs
Authorised				
Equity shares of ₹ 10/- each	6,90,00,000	6,900	6,90,00,000	6,900
Preference shares of ₹ 10/- each	5,60,00,000	5,600	5,60,00,000	5,600
Total	12,50,00,000	12,500	12,50,00,000	12,500
Issued, Subscribed and Fully paid up				
Equity shares of ₹ 10 each fully paid up				
For Cash	5,00,00,000	5,000	5,00,00,000	5,000
For Consideration other than cash	-	-	-	-
Total	5,00,00,000	5,000.00	5,00,00,000	5,000.00

Notes to Financial Statements

for the year ended 31st March, 2022

Note 15 : Equity Share Capital (Contd..)

15.1 Reconciliation of number of shares and amounts outstanding

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number	₹ in lakhs	Number	₹ in lakhs
Equity Shares outstanding at the beginning of the year	5,00,00,000	5,000.00	2,20,00,000	2,200.00
Add : shares issued during the year	-	-	2,80,00,000	2,800.00
Equity Shares outstanding at the end of the year	5,00,00,000	5,000.00	5,00,00,000	5,000.00

Rights, Preferences and Restrictions attaching 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/ declared by the Board of Directors is subject to approval/ regularisation by the share holders in the Annual General meeting. All dividends are paid in Indian Rupees. 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.

15.2 Details of shares held by Holding Company

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares held	₹ in Lakhs	No. of Shares held	₹ in Lakhs
Cochin Shipyard Limited: Holds 100% Equity Share Capital	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Total	5,00,00,000	5,000.00	5,00,00,000	5,000.00

15.3 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Cochin Shipyard Limited	5,00,00,000	100	5,00,00,000	100
Total	5,00,00,000	100	5,00,00,000	100

15.4 Details of shares issued for consideration other than cash

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Hooghly Dock and Port Engineers Limited	-	-	-	-

Equity share holding pattern

The Company's JV shareholder HDPEL holding 26% of the share capital totalling to 57,20,000 shares of ₹10/ each amounting to ₹5.72 Crores has transferred its entire shares to the majority shareholder Cochin Shipyard Limited pursuant to the Union Cabinet approval. As a result, the entire share capital is at present held by Cochin Shipyard Limited with effect from November 01, 2019.

Notes to Financial Statements

for the year ended 31st March, 2022

Note 15 : Equity Share Capital (Contd..)

15.5 Details of shareholding of promoters

Shares held by promoters as at 31st March, 2022:

Particulars	No. of Shares held	% of total shares	% change during the year
Cochin Shipyard Limited	5,00,00,000	100%	-

Note 16: Other Equity

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Retained Earnings		
Surplus (Balance in Statement of Profit and Loss):		
Balance Brought Forward from Last Year's Account	(734.72)	(419.02)
Add: Profit/ (Loss) for the year	(283.61)	(315.70)
Balance carried forward to next year's account	(1,018.33)	(734.72)

Note 17 : Non-Current Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured		
1. Debentures		
4,40,000 Nos. (2021: 4,40,000 Nos.) 6.5% Unsecured Redeemable Non-convertible Debentures of ₹ 1,000/- each*	4,400.00	4,400.00
3,10,000 Nos. (2021: Nil) 6.15% Unsecured Redeemable Non-convertible Debentures of ₹ 1,000/- each**	3,100.00	-
2. Loan from Related Parties		
5,60,00,000 (2021: 5,60,00,000) 6% Cumulative Redeemable Preference Shares of ₹10/- each	5,600.00	5,600.00
Total	13,100.00	10,000.00

Note:

1) Debentures

*The Company had issued 4,40,000, 6.50% unsecured redeemable non-convertible debentures of ₹ 1,000 each, with interest rate of 6.50% per annum payable annually, to Cochin Shipyard Limited. The debentures are due for redemption on 16th September 2023.

**On 3rd September, 2021, the Company had further issued 3,10,000, 6.15% unsecured redeemable non-convertible debentures of ₹ 1,000 each, with interest rate of 6.15% per annum payable annually, to Cochin Shipyard Limited. The duration of the debentures is 120 months with an option to redeem after 5 years from the date of allotment.

Notes to Financial Statements

for the year ended 31st March, 2022

Note 17 : Non-Current Borrowings (Contd..)

2) Cumulative Redeemable Preference Shares

Preference Share is treated as financial liability as per Ind AS 32, as these are redeemable on maturity for a fixed determinable amount and carry fixed rate of dividend

(i) Rights, preferences and restrictions attached to Preference shares:

The Company has one class of preference shares i.e. Cumulative Redeemable Preference Shares (CRP Shares) of ₹ 10 per share

(ii) Preference Shares held by Holding Company

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
5,60,00,000 (2021: 5,60,00,000) 6% Cumulative Redeemable Preference Shares of ₹10/- each, held by Cochin Shipyard Limited, the Holding Company	5,600.00	5,600.00
Total	5,600.00	5,600.00

(iii) Details of Preference shareholders holdings more than 5% shares

Name of Preference Share Holder	As at 31st March, 2022		As at 31st March, 2021	
	No. of Preference Shares Held	Percentage of Holding	No. of Preference Shares Held	Percentage of Holding
Cochin Shipyard Limited	5,600.00	100%	5,600.00	100%
Total	5,600.00	100%	5,600.00	100%

(iv) Preference dividend has been provisionally accrued as finance cost. However, as per the Companies Act 2013, the preference shares is treated as part of share capital and the provisions of the Act relating to declaration of Preference Dividend would be applicable.

Finance cost on Preference Shares has been capitalised under Capital Work in Progress as per Ind AS 23.

Note 18: Non-Current Lease Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease Obligations	664.16	649.37
Less: Current Portion of Lease Obligations	43.08	42.03
Total	621.08	607.34

The Company has taken certain assets on lease for business purpose. In addition, the Company has entered into long-term arrangements which conveys right to control the use of the identified assets resulting in recognition of right-of-use assets and lease obligations. Lease obligations represent the present value of minimum lease payments payable over the lease term.

Notes to Financial Statements

for the year ended 31st March, 2022

Note 18: Non-Current Lease Liabilities (Contd..)

Movement of Lease Liabilities during the year:

(₹ in Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening Lease Liabilities	649.37	389.74
New Leases recognised	-	228.91
Remeasurements and withdrawals	-	-
Interest expense on Lease Liabilities	56.82	75.58
Payment of Lease Liabilities	(42.03)	(44.86)
Closing Lease Liabilities	664.16	649.37

The maturity analysis of undiscounted lease liabilities are disclosed under Note 36(c)

Note 19: Non-Current Provisions

(₹ in Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for employee benefits (refer note 35):		
Retirement benefits	9.09	-
Total	9.09	-

Note 20: Current Lease Liabilities

(₹ in Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease Obligations (refer note 18)	43.08	42.03
Total	43.08	42.03

Note 21: Other Financial Liabilities

(₹ in Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Security and other deposits	1,126.88	82.23
Interest accrued but not due on debentures	263.27	153.58
Dividend on preference shares	392.15	56.15
Advance from customers	694.00	-
Others payables	194.79	272.36
Total	2,671.09	564.32

Note 22: Other Current Liabilities

(₹ in Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Statutory dues	32.90	34.27
Total	32.90	34.27

Notes to Financial Statements

for the year ended 31st March, 2022

Note 23: Current Provisions

(₹ in Lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for employee benefits (refer note 35):		
Retirement benefits	0.17	-
Creditors for expenses		
Expenditure/ contingencies	1,413.96	2,620.33
Total	1,414.13	2,620.33

Note 24 : Revenue from Operations

(₹ in Lakhs)		
Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Income from Ship Repair	41.78	-
Total	41.78	-

Note 25 : Other Income

(₹ in Lakhs)		
Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Rent received	-	2.07
Interest on bank deposits	0.90	26.10
Interest on Income Tax Refund	1.81	-
Interest from others	0.57	11.97
Miscellaneous income	0.07	0.60
Unwinding of Discount on Security Deposit	0.03	0.03
Total	3.38	40.77

Note 26 : Sub contract and other Direct expenses

(₹ in Lakhs)		
Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Sub contract and other direct expenses for ship repair	17.08	-
Total	17.08	-

Note 27 : Employee Benefit expenses

(₹ in Lakhs)		
Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Employee Salaries & Allowances	56.41	19.20
Contribution to Provident and Other Funds	7.15	1.61
Employee welfare expenses	3.34	4.47
Total	66.90	25.28

Notes to Financial Statements

for the year ended 31st March, 2022

Note 28 : Finance Charges

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Finance Charges on lease liability (5.31 Acres)	11.75	11.49
Finance Charges on lease liability (10.45 Acres)	23.13	22.61
Finance Charges on lease liability (9.91 Acres)	21.94	41.47
Total	56.82	75.57

Note 29 : Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Depreciation of Property, Plant and Equipments	19.56	11.26
Depreciation on right of use-Lease liability (5.31 Acres)	2.18	2.18
Depreciation on right of use-Lease liability (10.45 Acres)	4.24	4.24
Depreciation on right of use-Lease liability (9.91 Acres)	3.93	4.90
Amortisation of Other Intangible Assets	9.71	10.03
Total	39.62	32.61

Note 30 : Other Expenses

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Rates & Taxes	2.44	2.73
Power	20.12	14.67
Repairs and maintenance:		
Building and roads	6.16	8.74
Plant and machinery	-	-
Others	1.26	0.95
Docks & Quays	8.23	12.18
Travelling and conveyance expenses	7.41	2.42
Printing and stationery	1.56	0.90
Postage, telephone and telex	0.47	0.95
Advertisement and publicity	8.47	7.47
Lease rent paid	0.66	2.80
Hire charges	15.50	20.65
Security expenses	150.17	147.13
Auditors remuneration:		
- Audit fees	1.50	1.50
- Limited reviews	1.20	1.20
Consultancy	6.10	5.30
Bank charges	0.88	0.71
Miscellaneous expenses	15.08	84.55
Total	247.21	314.85

Notes to Financial Statements

for the year ended 31st March, 2022

Note 31 : Earnings per Equity Share

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Profit/ (Loss) attributable to equity holders (₹ in Lakhs)	(284.00)	(315.70)
Weighted Average number of equity shares used for computing Earning Per Share (Basic & Diluted)	5,00,00,000	3,33,53,425
Earning Per Share (Basic and Diluted) (₹)	(0.57)	(0.95)
Face value per equity (in ₹)	10.00	10.00

Note 32 : Contingencies and Commitments

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Commitments (To the extent not provided for)		
Estimated amount of contracts remaining to be executed on capital account and not provided for	521.57	1,389.12

Note 33 : Corporate Social Responsibility (CSR)

The Company does not have either any profit from its operations or net worth as prescribed under Section 135 of the companies Act, 2013. As such, the Company is not required to comply with the provisions of Sec 135 of the Companies Act, 2013.

Note 34 : Related Party disclosure

a) Name of the Related Parties and their relationship

Name of the Related Party	Relationship
Cochin Shipyard Limited	Holding Company
Tebma Shipyards Limited	Fellow Subsidiary of Holding Company
Shri Madhu S Nair, Chairman	Key Managerial Personnel
Shri Shekhar Chakravarty, Chief Executive Officer (from 22.12.2021)	Key Managerial Personnel
Shri Rajesh Gopalakrishnan, Chief Executive Officer (till 21.12.2021)	Key Managerial Personnel
Shri Bejoy Bhasker, Director	Key Managerial Personnel
Shri Jose V J, Director	Key Managerial Personnel
Shri Sreejith K Narayanan, Nominee Director (from 26.03.2022)	Key Managerial Personnel
Smt. Anjana K R, Nominee Director (from 26.03.2022)	Key Managerial Personnel
Shri Suresh Babu N V, Nominee Director (till 30.04.2021)	Key Managerial Personnel
Shri S Balaji Arunkumar, Director (till 29.05.2020)	Key Managerial Personnel
Shri Saibal Chattopadhyay, Chief Financial Officer (from 14.02.2022)	Key Managerial Personnel
Shri Balakrishnan Poovathra, Chief Financial Officer (till 13.02.2022)	Key Managerial Personnel
Shri Shibu John Chief Financial Officer (till 15.10.2020)	Key Managerial Personnel
Shri Kiran K A, Company Secretary (from 16.10.2020)	Key Managerial Personnel
Shri Aswin Sarma M, Company Secretary (till 15.10.2020)	Key Managerial Personnel

Notes to Financial Statements

for the year ended 31st March, 2022

Note 34 : Related Party disclosure (Contd..)

b) Details of Related Party Transactions:

(₹ in Lakhs)

Name of related party & nature of relationship	Nature of Transactions	For the Year ended 31st March, 2022	Balance Outstanding as at 31st March, 2022	For the Year ended 31st March, 2021	Balance Outstanding as at 31st March, 2021
(A) Holding Company:					
Cochin Shipyard Limited	Employee Manpower Services (provided by Cochin Shipyard Limited - Holding Company)*	-	-	10.41	-
	4,40,000 6.5% Redeemable Non-convertible Debentures of face value of ₹ 1,000 each issued to Cochin Shipyard Limited (Holding Company)	-	4,400	-	4,400
	Advance against projects	571.12	87.12	-	-
	Interest on Debentures	395.69	263.27	286.00	153.58
	Term Loan Taken	-	-	1,000.00	-
	Interest on Preference Shares	336.00	392.15	56.15	56.15
	Repayment of Term Loan	-	-	1,000.00	-
	Interest on Term Loan	-	-	20.12	-

* As regards reimbursement of manpower costs to Holding Company Cochin Shipyard Limited, the same is accounted on cost basis since GST paid is claimed as input credit receivable.

Note 35 : (i) Defined Benefit Plans/ Long Term Compensated Absences

Description of Plans:

The Company has not taken any funded plan for gratuity of its employees. The present value of obligation is determined in accordance with the advice of independent, professionally qualified actuaries using the projected unit credit method, which is recognised in each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The net Defined Benefit cost is recognised by the Company in the Financial Statements.

Risk:

The Defined Benefit Plans expose the Company to interest rate risk, salary cost inflation risk and Demographic risk.

Interest Rate Risk: The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on government bonds. A decrease in yields will increase the fund liabilities and vice-versa.

Salary Cost Inflation Risk: The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary might lead to higher liabilities.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Notes to Financial Statements

for the year ended 31st March, 2022

Note 35 : (i) Defined Benefit Plans/ Long Term Compensated Absences (Contd..)

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
I Components of Employer Expense				
Recognised in the Statement of Profit and Loss:				
1 Current Service Cost	3.56	5.70	-	-
2 Past Service Cost	-	-	-	-
3 Net Interest Cost	-	-	-	-
4 Total expense recognised in the Statement of Profit and Loss	3.56	5.70	-	-
Re-measurements recognised in Other Comprehensive Income				
5 Return on plan assets (greater)/ less than discount rate	-	-	-	-
6 Effect of changes in assumptions	-	-	-	-
7 Effect of experience adjustments	-	-	-	-
8 Total re-measurements included in Other Comprehensive Income	-	-	-	-
9 Total defined benefit cost recognised in the Statement of Profit and Loss and Other Comprehensive Income (4+8)	3.56	5.70	-	-

The current service cost, past service cost and net interest cost for the year pertaining to Gratuity expenses have been recognised in "Contribution to Provident and other funds" and Leave Encashment in "Salaries and wages" under Note 23. The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
II Net Asset/(Liability) recognised in Balance Sheet				
Present Value of Defined Benefit Obligation	3.56	5.70	-	-
Fair Value of Plan Assets	-	-	-	-
Net liability:				
- Non-Current	0.03	0.14	-	-
- Current	3.53	5.56	-	-

Notes to Financial Statements

for the year ended 31st March, 2022

Note 35 : (i) Defined Benefit Plans/ Long Term Compensated Absences (Contd..)

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
III. Change in Defined Benefit Obligation (DBO)				
1 Present Value of DBO at the beginning of the year	-	-	-	-
2 Current Service Cost	3.56	5.70	-	-
3 Past Service Cost	-	-	-	-
4 Net Interest Cost	-	-	-	-
5 Remeasurement gains/ (losses):				
a Effect of changes in demographic assumptions	-	-	-	-
b Effect of changes in financial assumptions	-	-	-	-
c Changes in asset ceiling (excluding interest income)	-	-	-	-
d Effect of experience adjustments	-	-	-	-
6 Curtailment Cost/ (Credits)	-	-	-	-
7 Settlement Cost/ (Credits)	-	-	-	-
8 Acquisitions credit/ (cost)	-	-	-	-
9 Effects of transfer In/ (Out)	-	-	-	-
10 Benefits Paid	-	-	-	-
11 Net defined benefit asset/ (liability) at end of current period	3.56	5.70	-	-

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
IV. Best Estimate of Employers' Expected Contribution for the next year		
Gratuity	3.56	-

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
V. Change in Fair Value of Assets				
1 Plan Assets at the beginning of the year	-	-	-	-
2 Acquisition adjustment	-	-	-	-
3 Interest income on plan assets	-	-	-	-
4 Employer contributions	-	-	-	-
5 Return on plan assets greater/ (lesser) than discount rate	-	-	-	-
6 Benefits paid	-	-	-	-
7 Fair Value of assets at the end of current period	-	-	-	-

Notes to Financial Statements

for the year ended 31st March, 2022

Note 35 : (i) Defined Benefit Plans/ Long Term Compensated Absences (Contd..)

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
VI. Actuarial Assumptions				
1 Discount rate per annum	7.30%	7.30%	-	-
2 Rate of Escalation in Salary	3.00%	7.30%	-	-
3 Mortality Rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	-	-
4. Withdrawal	0.70%	0.70%	-	-

VII. Sensitivity Analysis

The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
A Discount Rate	7.30%	7.30%		
Effect on DBO due to 1% increase in Discount Rate	(0.46)	(0.71)	-	-
Percentage Impact	-13.00%	-12.40%	-	-
Effect on DBO due to 1% decrease in Discount Rate	0.55	0.84	-	-
Percentage Impact	15.60%	14.80%	-	-
B Salary Escalation Rate	3.00%	3.00%		
Effect on DBO due to 1% increase in Salary Escalation Rate	0.57	0.87	-	-
Percentage Impact	16.10%	15.30%	-	-
Effect on DBO due to 1% decrease in Salary Escalation Rate	(0.49)	(0.74)	-	-
Percentage Impact	-13.70%	-13.00%	-	-

Notes to Financial Statements

for the year ended 31st March, 2022

Note 35 : (i) Defined Benefit Plans/ Long Term Compensated Absences (Contd..)

(₹ in Lakhs)

Maturity Analysis of the Benefit Payments	As at 31st March, 2022		As at 31st March, 2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Year 1	0.03	0.14	-	-
Year 2	0.00	0.19	-	-
Year 3	0.00	0.24	-	-
Year 4	0.00	0.29	-	-
Year 5	0.00	0.35	-	-
Next 5 Years	0.01	2.81	-	-

(ii) Amounts towards Defined Contribution Plans have been recognised under “Contribution to Provident and other funds” in Note 25: ₹ 3.59 Lakhs (2021 - ₹ 1.61 Lakhs).

Note 36 : Disclosures on Financial Instruments

This section gives an overview of the significance of the financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

(a) Categories of Financial Instruments

The following table presents the carrying value and fair value of each category of financial assets and liabilities as at 31st March, 2022 and 31st March, 2021:

As at 31st March, 2022

(₹ in Lakhs)

Particulars	Amortised cost	Fair value through other comprehensive income	Fair Value through profit and loss	Total carrying value	Total fair value
Financial Assets					
(i) Trade receivables	49.96	-	-	49.96	49.96
(ii) Cash and cash equivalents	3,193.70	-	-	3,193.70	3,193.70
(iii) Bank balance other than (i)	109.07	-	-	109.07	109.07
(iv) Other financial assets	4.18	-	-	4.18	4.18
Total Financial Assets	3,356.91	-	-	3,356.91	3,356.91
Financial Liabilities					
Borrowings	13,100.00	-	-	13,100.00	13,100.00
Lease liabilities	621.08	-	-	621.08	621.08
Other financial liabilities	2,671.09	-	-	2,671.09	2,671.09
Total Financial Liabilities	16,392.17	-	-	16,392.17	16,392.17

Notes to Financial Statements

for the year ended 31st March, 2022

Note 36 : Disclosures on Financial Instruments (Contd..)

As at 31st March, 2021

(₹ in Lakhs)

Particulars	Amortised cost	Fair value through other comprehensive income	Fair Value through profit and loss	Total carrying value	Total fair value
Financial Assets					
(i) Trade receivables	-	-	-	-	-
(ii) Cash and cash equivalents	3,621.57	-	-	3,621.57	3,621.57
(iii) Bank balance other than (i)	105.61	-	-	105.61	105.61
(iv) Other financial assets	6.43	-	-	6.43	6.43
Total Financial Assets	3,733.61	-	-	3,733.61	3,733.61
Financial Liabilities					
Borrowings	10,000.00	-	-	10,000.00	10,000.00
Lease liabilities	607.34	-	-	607.34	607.34
Other financial liabilities	564.32	-	-	564.32	564.32
Total Financial Liabilities	11,171.66	-	-	11,171.66	11,171.66

(b) Fair value hierarchy:

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair value is determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(₹ in Lakhs)

Particulars	As at 31st March, 2022				As at 31st March, 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Security deposits	-	0.36	-	0.36	-	0.34	-	0.34
	-	.36	-	0.36	-	0.34	-	0.34
Financial Liabilities								
Borrowings	-	13,100.00	-	13,100.00	-	10,000.00	-	10,000.00
Lease liabilities	-	621.08	-	621.08	-	607.34	-	607.34
Other financial liabilities	-	2,671.09	-	2,671.09	-	564.32	-	564.32
	-	16,392.17	-	16,392.17	-	11,171.66	-	11,171.66

Notes to Financial Statements

for the year ended 31st March, 2022

Note 36 : Disclosures on Financial Instruments (Contd..)

- (i) Fair value of borrowings which have a quoted market price in an active market is based on its market price which is categorised as Level1. Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorised as Level 2 in the fair value hierarchy.
- (ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.
- (iii) There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2022 and March 31, 2021.

(c) Maturity profile of Company's financial liabilities is as below:

(₹ in Lakhs)

Maturity Period	As at 31st March, 2022			
	Borrowings other than lease obligations	Lease Obligations	Other Financial Liabilities	Total Financial Liabilities
Not later than 1 year or on demand	-	43.08	2,671.09	2,714.17
Later than one year and not later than five years	7,500.00	183.34	-	7,683.34
More than 5 years	5,600.00	4,918.54	-	10,518.54
	13,100.00	5,144.96	2,671.09	20,916.05
Less: Future Finance Charges on Leases	-	4,480.80	-	4,480.80
	13,100.00	664.16	2,671.09	16,435.25

(₹ in Lakhs)

Maturity Period	As at 31st March, 2021			
	Borrowings other than lease obligations	Lease Obligations	Other Financial Liabilities	Total Financial Liabilities
Not later than 1 year or on demand	-	42.03	564.32	606.35
Later than one year and not later than five years	4,400.00	178.87	-	4,578.87
More than 5 years	5,600.00	4,966.09	-	10,566.09
	10,000.00	5,186.99	564.32	15,751.31
Less: Future Finance Charges on Leases	-	4,537.62	-	4,537.62
	10,000.00	649.37	564.32	11,213.69

Notes to Financial Statements

for the year ended 31st March, 2022

Note 37 : Additional Regulatory Information

Ratios

Ratios	Numerator	Denominator	Current year	Previous year
Current ratio (in times)	Total current assets	Total current liabilities	1.08	1.38
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities.	Total equity	3.46	2.50
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	(0.65)	(1.51)
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	-15.03%	-12.30%
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	1.67	NA
Trade payables turnover ratio (in times)	Cost of CWIP and PPE + Other expenses	Average trade payables	1.44	4.92
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	0.05	NA
Net profit ratio (in %)	Profit for the year	Revenue from operations	-679%	NA
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Borrowings + Lease liabilities	-1.84%	-2.23%
Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	NA	NA

Explanation for Change in Ratios by more than 25% as compared to the previous year:

Ratios	% Change	Remarks
Debt-Equity ratio (in times)	38%	There has been increase in total long term debt due to issue of debentures amounting to ₹ 31 Crores by the Company for project implementation
Debt service coverage ratio (in times)	57%	The Company has just started the operations from FY 2021-22 resulting in improvement in EBITDA. Hence the ratio is improving as compared to the previous year
Trade receivables turnover ratio (in times)	100%	The Company has just started the operations from FY 2021-22. There was no trade receivable in the previous year.
Trade payables turnover ratio (in times)	-71%	There was significantly less expenditure for CWIP in current year as compared to previous year. The trade payable has not reduced in the same ratio. Company has been able to manage the trade payables
Net capital turnover ratio (in times)	100%	The Company has just started the operations from FY 2021-22. There was no revenue from operations in the previous year.
Net profit ratio (in %)	100%	The Company has just started the operations from FY 2021-22. There was no revenue from operations in the previous year.

Notes to Financial Statements

for the year ended 31st March, 2022

Note 38 : Segment Reporting

The Company has identified two major operating segments viz., Shipbuilding and Repair of ships/ offshore structures. The Company shall undertake segment wise analysis and allocation of costs and revenues when it commences operations.

Note 39 :

Previous year figures have been recasted/ regrouped wherever necessary to conform to the current year presentation.

In terms of our report of even date	For and on behalf of Board of Directors		
For RADS & CO Chartered Accountants (Firm Registration No. 320298E)	MADHU S NAIR Chairman (DIN 07376798)	JOSE V J Director (DIN 08444440)	SHEKHAR CHAKRAVARTY Chief Executive Officer
DHIRAJ KUMAR AGARWAL Partner (Membership No. 067872)	SAIBAL CHATTOPADHYAY Chief Financial Officer	KIRAN K A Company Secretary M. No. A36050	
Kolkata May 03, 2022	Kochi May 03, 2022		

Notice

Notice is hereby given that the 05th Annual General Meeting of the Members of Hooghly Cochin Shipyard Limited will be held at 11.00 hrs. on Monday, September 19, 2022 at CSL Board Room, Administrative Building, Cochin Shipyard Limited, Perumanoor, Kochi, Kerala – 682015, to transact the following businesses:

Ordinary Business

1. To consider and adopt the audited financial statements as on 31st March 2022, and the Reports of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Shri Jose V J (DIN: 08444440), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. 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 2022-23.

By the Order of the Board of Directors
For **Hooghly Cochin Shipyard Limited**

Kochi
September 07, 2022

Kiran K A
Company Secretary
M. No. A36050

Notes:

1. A Member who is entitled to attend and vote at the Annual General Meeting (the Meeting) 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. The instrument appointing the proxy should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than forty-eight (48) hours before the commencement of the Meeting. A proxy form (MGT-11) is annexed to this Notice.

2. A person can act as a proxy on behalf of the Members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case, a proxy is proposed to be appointed by a Member holding more than ten percent of the total share capital of the Company carrying voting rights, then such person shall not act as a proxy for any other person or Shareholder.

3. Members, proxies and authorized representatives are requested to bring the duly filled attendance slip enclosed herewith along with their copy of Annual Report, to attend the Meeting. Corporate members intending to send their Authorized Representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of
- the Board Resolution or Power of Attorney or any other instrument authorizing their representative(s) to attend and vote on its behalf at the Meeting.

4. The registers maintained under the Companies Act, 2013 and all documents referred to in the Notice are available for inspection by the Members at the Meeting.

5. The route map to the venue of the Meeting is enclosed with this Notice.

6. This Meeting is proposed to be held outside the local limits of the Registered Office, at CSL Board Room, Administrative Building, Cochin Shipyard Limited, Perumanoor, Kochi, Kerala - 682 015, at a shorter notice. The request, pursuant to Section 96 and 101 of the Companies Act, 2013, for consenting to conduct the Meeting outside the local limits of the Registered Office at a shorter notice is enclosed along with this Notice and the Meeting will be held only if the consent is received from all the Members entitled to vote at the Meeting.

7. The brief details of the Director, who is seeking re-appointment, are annexed to this Notice as per the requirements of the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

By the Order of the Board of Directors
For **Hooghly Cochin Shipyard Limited**

Kiran K A
Company Secretary
M. No. A36050

Kochi
September 07, 2022

Registered Office
Administrative Building
HCSL Premises, Satyen Bose Road
P.O. Danesh Shaikh Lane, Nazirgunge
Howrah, West Bengal – 711 109
CIN: U35900WB2017GOI223197
e-mail: secretary.hcsl@cochinshipyard.in

FORM NO. MGT-11

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Venue of the Meeting : CSL Board Room, Administrative Building, Cochin Shipyard Limited, Perumanoor, Kochi, Kerala – 682 015
Day, Date and Time : Monday, September 19, 2022 at 11.00 hrs.

Name of Member(s)	
Registered Address	
E-mail Id	
Ledger Folio No.	

I/ We, being the Member(s) of Hooghly Cochin Shipyard Limited holding _____ shares, hereby appoint:

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

or failing him/ her

2.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

or failing him/ her

3.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 05th Annual General Meeting of the Members of the Company, to be held on Monday, September 19, 2022 at 11.00 hrs. at CSL Board Room, Administrative Building, Cochin Shipyard Limited, Perumanoor, Kochi, Kerala – 682 015, and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution	For	Against
Ordinary Business			
1.	To consider and adopt the audited financial statements as on 31st March 2022, and the Reports of the Board of Directors and Auditors' thereon.		
2.	To appoint a Director in place of Shri Jose V J (DIN: 08444440), who retires by rotation and being eligible, offers himself for re-appointment.		
3.	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 2022-23.		

Signed this day of..... 2022

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

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

ATTENDANCE SLIP

Venue of the Meeting : CSL Board Room, Administrative Building, Cochin Shipyard Limited, Perumanoor, Kochi, Kerala – 682 015
Day, Date and Time : Monday, September 19, 2022 at 11.00 hrs.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

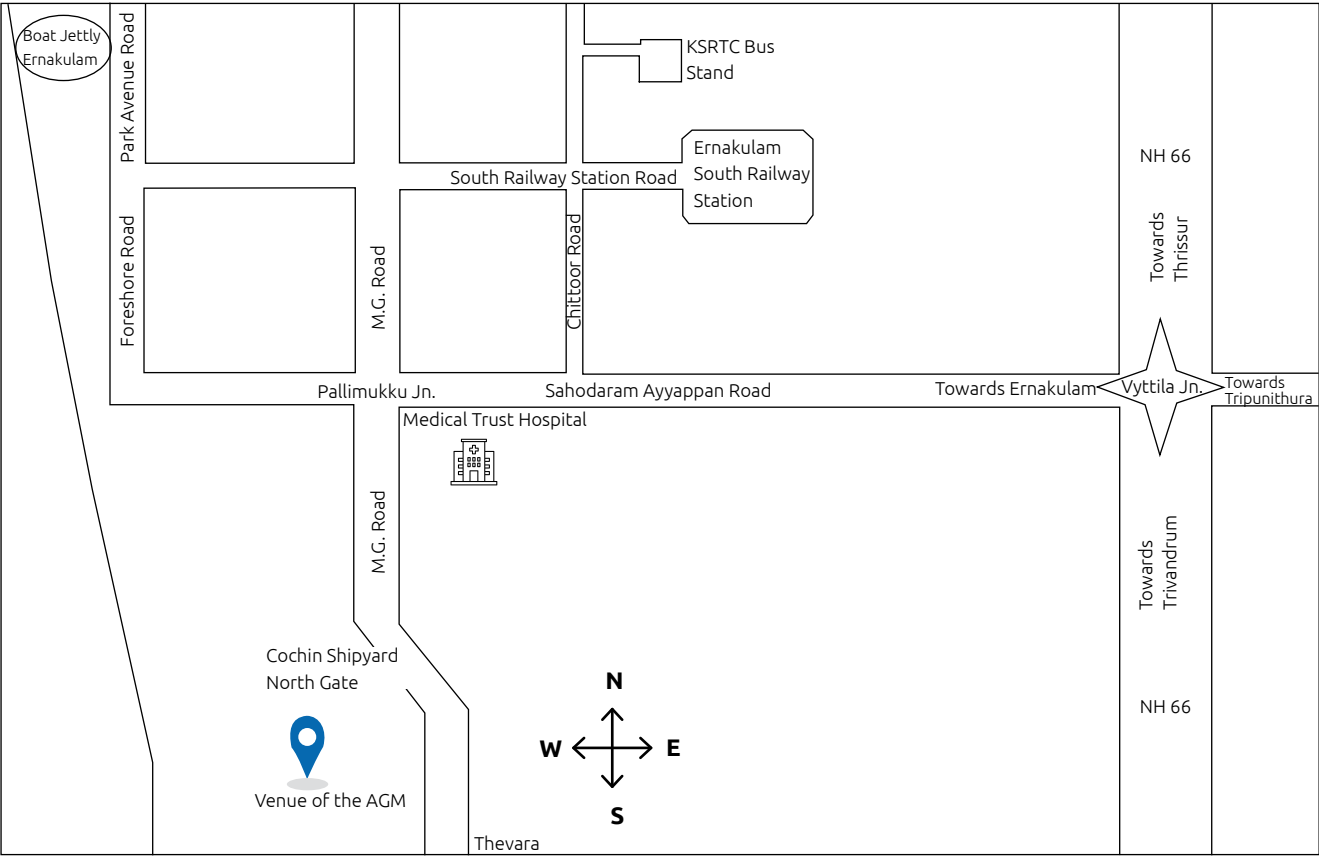
Name of the Shareholder(s)	
Registered Address	
E-mail Id	
Ledger Folio No.	
No. of shares held	

I certify that I am the registered Shareholder(s)/ Proxy for the registered Shareholder of the Company.

I hereby record my presence at the 05th Annual General Meeting of the Company on Monday, September 19, 2022 at 11.00 hrs. at CSL Board Room, Administrative Building, Cochin Shipyard Limited, Perumanoor, Kochi, Kerala – 682 015.

Signature of the Shareholder or Proxy

ROUTE MAP TO THE VENUE OF THE MEETING



CONSENT OF SHAREHOLDER

[Pursuant to Section 96 and 101 of the Companies Act, 2013]

To
The Board of Directors
Hooghly Cochin Shipyard Limited
Administrative Building, HCSSL Premises
Satyen Bose Road, P.O. Danesh Shaikh Lane
Nazirgunge, Howrah, West Bengal – 711 109

I, _____, son of _____, resident of _____, holding _____ equity shares and/or _____ preference shares of of Rs. 10/- each in the Company, hereby give consent, pursuant to Section 96 and 101 of the Companies Act, 2013, to hold the 05th Annual General Meeting (AGM) of the Company on September 19, 2022 outside the local limits of the Registered Office at CSL Board Room, Administrative Building, Cochin Shipyard Limited, Perumanoor, Kochi, Kerala – 682 015 at a shorter notice.

Signature:
Name:

Place:
Date:

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THIS MEETING

[Pursuant to the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI)]

Name of the Director	Shri Jose V J
DIN	08444440
Age & Date of Birth	55 years; February 04, 1967
Qualifications	Shri Jose V J is a member of the Institute of Cost Accountants of India and also holds a degree in Law from Government Law College, Ernakulam
Experience	Shri Jose V J is the Director (Finance) of Cochin Shipyard Limited (CSL), the Holding Company. He has approximately 31 years of work experience across diverse field viz., financial management, strategic planning, risk management, forex management, budgeting and cost control. He is also a Director of Udupi Cochin Shipyard Limited (UCSL), the other wholly owned subsidiary of CSL.
Terms and conditions of re-appointment	Shri Jose V J was appointed as one of the Directors nominated by CSL. Approval of the Members is sought for continuation of office of directorship of Shri Jose V J till such time his nomination is withdrawn. As per the terms of re-appointment, he is liable to retire by rotation as per the provisions of the Companies Act, 2013.
Details of remuneration sought to be paid on re-appointment and last drawn (FY 2021-22)	Nil
Date of first appointment on the Board	August 03, 2019
No. of shares held in the Company	10 (Shares are held on behalf of CSL)
Relationship with other Directors and Key Managerial Personnel	Nil
No. of Board Meetings attended during the Financial Year 2021-22	4/4
Directorships in other Public Limited Companies (excluding foreign companies, private companies & Section 8 companies)	(1) Cochin Shipyard Limited
Membership/ Chairmanship of Committees in other Public Limited Companies*	(2) Udupi Cochin Shipyard Limited
	Nil

*Membership/ Chairmanship of only the Audit Committee and Stakeholders Relationship Committee have been considered.

ADDENDUM TO THE NOTICE FOR 05TH ANNUAL GENERAL MEETING

Reference is invited to the Notice issued on September 07, 2022, for the 05th Annual General Meeting (AGM) of the Members of Hooghly Cochin Shipyard Limited scheduled on Monday, September 19, 2022.

In this regard, Notice is hereby given that the 05th AGM of the Members of Hooghly Cochin Shipyard Limited scheduled to be held at 11.00 hrs. on Monday, September 19, 2022 has been preponed to 10.15 hrs. on Monday, September 19, 2022.

Further, in view of the continuing COVID-19 Pandemic and the social distancing norms, the Ministry of Corporate Affairs (“MCA”) vide its Circular No. 2/2022 dated May 05, 2022, read with Circular No. 20/2020 dated May 05, 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 view of these MCA Circulars, the Company is providing the facility of attending the 05th AGM through VC/OAVM. Members and other invitees may attend the said AGM through electronic mode by clicking the link given below:

<https://teams.microsoft.com/l/meetup-join/19%3a29c6785367da42dba39027c348e04e72%40thread.tacv2/1663327610099?context=%7b%22Tid%22%3a%22ccea1a75b-ed28-41dc-82be-a567eb912f7f%22%2c%22Oid%22%3a%2250a85616-fca8-43cd-a899-0719a2f7c3b3%22%7d>

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.

The designated e-mail id for casting the votes in case of a poll is secretary.hcsl@cochinshipyard.in.

Kindly make it convenient to attend the Meeting.

For Hooghly Cochin Shipyard Limited

Kochi
September 17, 2022

Kiran K A
Company Secretary
M. No. A36050



HOUGHLY COCHIN SHIPYARD LIMITED

Registered Office:

Administrative Building
HCSL Premises, Satyen Bose Road
P.O. Danesh Shaikh Lane, Nazirgunge
Howrah, West bengal - 711 109

CIN: U35900WB2017GO1223197

