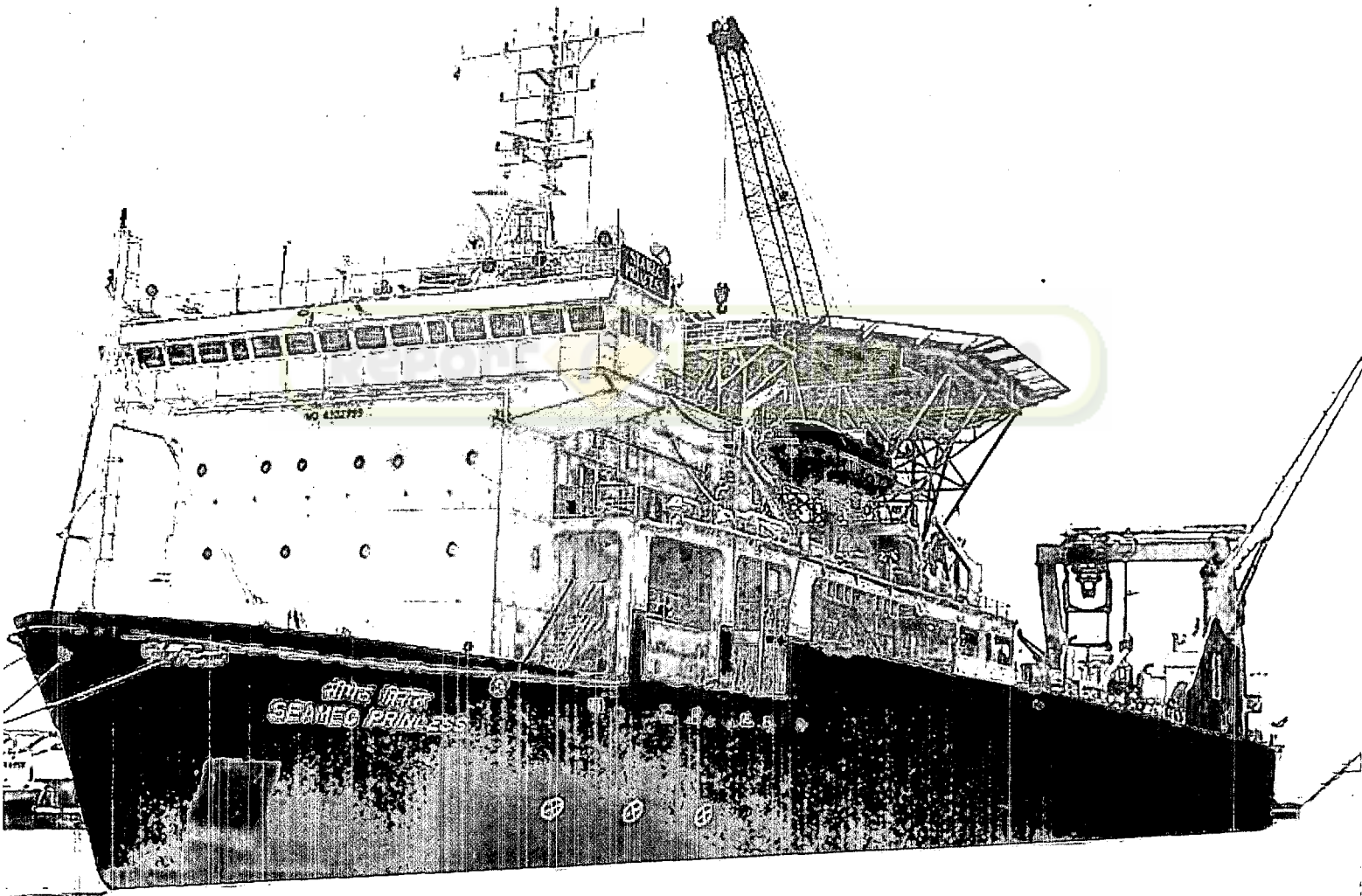




# SEAMEC LIMITED

(Formerly South East Asia Marine Engineering & Construction Ltd.)

A MEMBER OF THE TECHNIP GROUP



ANNUAL REPORT  
2007

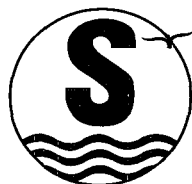
## SEAMEC LIMITED

(Formerly known as South East Asia Marine Engineering & Construction Limited)

### TEN YEAR HIGHLIGHTS

Rs. In Millions

DETAILS	98-99	99-2000	2000 (9 Months)	2001	2002	2003	2004	2005	2006	2007
<b>BALANCE SHEET</b>										
<b>SOURCES OF FUNDS</b>										
SHARE CAPITAL	339.00	339.00	339.00	339.00	339.00	339.00	339.00	339.00	339.00	339.00
RESERVE & SURPLUS	806.30	734.74	771.47	644.91	745.07	837.23	1,258.28	1,451.51	2,037.17	2,407.45
<b>NET WORTH</b>	<b>982.91</b>	<b>951.18</b>	<b>946.88</b>	<b>1,106.39</b>	<b>1,059.22</b>	<b>1,213.59</b>	<b>1,538.70</b>	<b>1,790.51</b>	<b>2,376.17</b>	<b>2,746.45</b>
<b>LOAN FUND</b>	628.02	486.80	493.77	426.00	339.75	198.06	86.25	-	-	-
<b>SOURCES OF FUNDS</b>	<b>1,610.93</b>	<b>1,437.98</b>	<b>1,440.65</b>	<b>1,532.39</b>	<b>1,398.97</b>	<b>1,411.65</b>	<b>1,624.95</b>	<b>1,790.51</b>	<b>2,376.17</b>	<b>2,746.45</b>
<b>APPLICATION OF FUNDS</b>										
GROSS BLOCK OF FIXED ASSETS	1,796.20	1,835.05	1,856.10	1,875.92	1,940.68	1,979.28	1,768.02	1,827.95	2,781.45	3,803.19
RESERVE FOR DEPRECIATION	543.05	651.58	735.10	850.79	981.41	1,093.00	979.36	1,088.18	1,232.37	1,409.46
NET BLOCK OF FIXED ASSETS	1,253.15	1,183.47	1,121.00	1,025.13	959.27	886.28	788.66	739.77	1,549.08	2,393.73
INVESTMENTS	0.46	0.46	-	-	-	-	-	-	-	-
DEBTORS (NET)	216.90	242.17	316.46	185.36	158.56	227.43	148.57	226.77	293.82	268.62
TOTAL CURRENT ASSETS	481.41	396.94	502.11	628.03	571.46	629.36	1,033.03	1,138.40	1,078.90	1,038.85
CURRENT LIABILITIES & PROVISIONS	124.09	142.89	182.46	120.77	131.76	103.99	196.74	87.66	251.81	686.12
NET CURRENT ASSETS	357.32	254.06	319.65	507.26	439.70	525.37	836.29	1,050.74	827.09	352.73
<b>APPLICATION OF FUNDS</b>	<b>1,610.93</b>	<b>1,437.98</b>	<b>1,440.65</b>	<b>1,532.39</b>	<b>1,398.97</b>	<b>1,411.65</b>	<b>1,624.95</b>	<b>1,790.51</b>	<b>2,376.17</b>	<b>2,746.46</b>
<b>PROFIT &amp; LOSS ACCOUNT</b>										
<b>REVENUE- Charter Hire</b>	<b>981.65</b>	<b>857.54</b>	<b>753.40</b>	<b>879.92</b>	<b>1,000.73</b>	<b>901.46</b>	<b>964.17</b>	<b>822.81</b>	<b>1,591.33</b>	<b>1,704.47</b>
<b>OTHER INCOME</b>	<b>9.21</b>	<b>3.10</b>	<b>13.04</b>	<b>11.13</b>	<b>26.56</b>	<b>16.88</b>	<b>43.80</b>	<b>50.15</b>	<b>45.00</b>	<b>88.37</b>
EBITDA before extra ordinary items	287.48	110.03	172.18	263.69	283.15	349.35	243.96	322.46	752.82	604.23
EXTRA ORDINARY ITEMS	(1.00)	-	-	-	-	-	114.80	12.07	-	(7.70)
INTEREST EXPENSES	118.99	71.94	47.91	63.01	57.33	39.73	24.21	10.41	2.73	4.23
DEPRECIATION	109.62	109.66	84.24	120.00	131.39	135.00	126.03	112.02	149.15	189.50
<b>PROFIT BEFORE TAX</b>	<b>57.88</b>	<b>(71.57)</b>	<b>40.04</b>	<b>80.70</b>	<b>94.43</b>	<b>174.63</b>	<b>208.52</b>	<b>212.10</b>	<b>600.94</b>	<b>402.80</b>
<b>TAX</b>	<b>6.13</b>	<b>-</b>	<b>3.30</b>	<b>9.50</b>	<b>(5.73)</b>	<b>82.47</b>	<b>(212.54)</b>	<b>18.87</b>	<b>15.27</b>	<b>32.53</b>
<b>PROFIT AFTER TAX</b>	<b>51.75</b>	<b>(71.57)</b>	<b>36.74</b>	<b>71.20</b>	<b>100.16</b>	<b>92.16</b>	<b>421.06</b>	<b>193.23</b>	<b>585.67</b>	<b>370.27</b>



## SEAMEC LIMITED

(Formerly known as South East Asia Marine Engineering & Construction Limited)

A MEMBER OF THE TECHNIP GROUP

### TWENTY FIRST ANNUAL REPORT 2007

#### BOARD OF DIRECTORS

Mr. Carl Holmen, Chairman  
Mr. Georges Michel  
Mr. Christophe Armengol  
Mr. Shardul Thacker  
Ms. Bhavna Doshi  
Capt. C.J. Rodricks, Managing Director

#### BOARD COMMITTEE

##### Audit Committee

Ms. Bhavna Doshi, Chairperson  
Mr. Shardul Thacker  
Mr. Christophe Armengol

##### Shareholders / Investors

##### Grievance & Transfer Committee

Mr. Shardul Thacker, Chairman  
Ms. Bhavna Doshi  
Capt. C.J. Rodricks

##### Management Committee

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

##### CHIEF FINANCIAL OFFICER

Mr. S. S. Biswas

#### AUDITORS

S. R. Batliboi & Co., Chartered Accountants  
6th Floor, Express Towers,  
Nariman Point, Mumbai – 400 021.

#### BANKERS

Industrial Development Bank of India Ltd

#### REGISTRARS & SHARE TRANSFER AGENTS

C B Management Services (P) Ltd.  
P-22, Bondel Road, 2nd Floor, Kolkata 700 019  
Tel : (033) 2280 6692 / 6693 / 6694  
Fax : (033) 22870263  
Email : cbmsl1@cal2.vsnl.net.in

#### REGISTERED & CORPORATE OFFICE

401-404, 4th Floor, The Eagle's Flight,  
Suren Road, Off. Andheri Kurla Road,  
Andheri East, Mumbai - 400 093.  
Tel : (022) 6694 1800  
Fax : (022) 6694 1818  
Email : seamec@bom5.vsnl.net.in

##### CHIEF LEGAL OFFICER & COMPANY SECRETARY

Mr. S. N. Mohanty



SEAMEC LIMITED

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#### LISTING ON THE STOCK EXCHANGES

The company's shares are listed on :

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

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**NOTICE****TO THE MEMBERS**

NOTICE is hereby given that the Twenty First Annual General Meeting of SEAMEC LIMITED will be held on Tuesday, 29<sup>th</sup> April, 2008 at 04.00 p.m. at Navinbhai Thakkar Auditorium, Shree Vile Parle Gujarati Mandal, Shraddhanand Road, Vile Parle (East), Mumbai – 400 057 to transact the following business:-

**AS ORDINARY BUSINESS**

1. To consider and adopt the Profit & Loss Account of the Company for the year ended on 31<sup>st</sup> December, 2007 and the Balance Sheet as on that date together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Shardul Thacker, who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and to fix their remuneration.

**AS SPECIAL BUSINESS**

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

**"RESOLVED THAT** Mr. Christophe Armergol be and is hereby appointed as Director of the Company whose period of the office shall be liable to determination by retirement by rotation".

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

**"RESOLVED THAT** in accordance with the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification (s) or re-enactment thereof) the consent of the Company be and is hereby accorded to the re-appointment of Capt. C. J. Rodricks, as the Managing Director of the Company, for a period of five years commencing from 1<sup>st</sup> January 2008, on the terms and conditions including remuneration as set out in the agreement entered into between the Company and Capt. C. J. Rodricks on 8<sup>th</sup> November 2007, a copy whereof is placed before the meeting, which agreement is hereby specifically sanctioned with liberty to Board of Directors of the Company (herein referred to as the 'Board' which terms shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions of the said re-appointment and/or remunerations and/or agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory modification(s) that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Capt. C. J. Rodricks."

**"RESOLVED FURTHER THAT** where for any financial year the Company has no profits or its profits are inadequate, the Company do pay to Capt. C. J. Rodricks remuneration not exceeding the ceiling limit specified under Section II of Part II of Schedule XIII to the Companies Act, 1956."

**"RESOLVED FURTHER THAT** the office of Managing Director of the Company shall not be liable to determination by retirement of Directors by rotation."

**"RESOLVED FURTHER THAT** that Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Registered Office :  
401-404, 4th Floor, The Eagle's Flight,  
Suren Road, Off. Andheri Kurla Road,  
Andheri East, Mumbai - 400 093.

Dated : 14th February, 2008

By order of the Board  
S. N. Mohanty  
Chief Legal Officer &  
Company Secretary

SEAMEC LIMITED

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**NOTES :**

1. **A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his/her place and a proxy, so appointed, need not be a member of the Company. A proxy form, duly completed, must be deposited at the Registered Office of the Company at least forty-eight hours before the commencement of the meeting.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from 25.04.2008 to 29.04.2008 (both days inclusive).
3. Members desirous of obtaining any information regarding Accounts and operations of the Company are requested to write to the Company, so that it reaches the Company at least seven days before the meeting, to enable the Company to keep the information ready at the time of the meeting.
4. Any change of address of the members of the Company may be intimated to the Registered Office of the Company or to the Registrars: C B Management Services (P) Ltd., P-22, Bondel Road, 5<sup>th</sup> Floor, Kolkata 700 019.
5. Members are requested to bring their copies of the Annual Report and Accounts to the Meeting.
6. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
7. Members are requested to quote the ledger folio or Client ID and DP ID numbers in all communications with the Company.



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**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****ITEM NO. 4**

Mr. Christophe Armengol was appointed as Director of the Company in the Board Meeting held on 19<sup>th</sup> April 2006 in the casual vacancy created by the resignation of Mr. Ivan Coyard from the Board of Directors of the Company, Mr. Christophe Armengol holds the office till the ensuing Annual General Meeting. Mr. Christophe Armengol has vast experience in finance and by qualification he is a Chemical Engineer and also holds Master degree from IAE, Paris in Audit and Finance Control. Based in Paris, Mr. Christophe Armengol holds the post of Finance Controller of Middle East, South West Asia Business unit of the parent company i.e. Technip SA France.

The Company has received a notice under section 257 (1) of Companies Act, 1956 from the member signifying her intention to propose the name of Mr. Christophe Armengol for appointment as a Director of the company in the ensuing Annual General Meeting of the Company.

Your Directors are of the view that it will be in best of interest of the Company to appoint Mr. Christophe Armengol as Director and therefore recommend adoption of the resolution proposed under item no. 4 of the notice. Mr. Armengol does not hold any shares in your Company.

Save and except Mr. Christophe Armengol, no other director is concerned or interested in the resolution. The above disclosure is pursuant to clause 49 (VI) of the listing agreement on Corporate Governance.

**ITEM NO. 5**

Capt. C.J. Rodricks was appointed as Managing Director of the Company for a period of three years w.e.f. 1<sup>st</sup> January, 2005. The Board of Directors of the company in its meeting held on 23.10.2007 has re-appointed Capt. C.J. Rodricks as Managing Director for a further period of five years w.e.f. 1<sup>st</sup> January, 2008

The remuneration and other terms and conditions pertaining to the said re-appointment, w.e.f 1<sup>st</sup> January 2008, as appended below, are contained in an agreement entered into on 8<sup>th</sup> November 2007 between the Company and Capt. C.J. Rodricks, pending its approval by the members in the Annual General Meeting.

**Salary** : Rs. 3,41,044/- ( Rupees Three Lacs Fourty One Thousand and Forty Four Only) per month including Rs. 1,87,704 /- as Basic pay and Rs. 1,53,340/- as other allowances.

**Perquisite** : **A) Housing** : The Managing Director shall be entitled to of Rs. 1,19,647/- per month as House Rent Allowance.

**B) Medical Expenses and reimbursements:** Medical expenses incurred for the Managing Director and his family, subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

**C) Leave Travel Concession** : Leave Travel Concession for the Managing Director and his family once in a year incurred in accordance with rules specified by the Company not exceeding Rs. 1,00,000/-

**D) Fees of Club** : Fees of club, subject to a maximum of two clubs. This will not include admission and lifemembership fees.

**E) Personal Accident Insurance** : Personal Accident Insurance : Premium not exceeding Rs.1000/- per annum. Travel Insurance shall be to Companys' cost; so also Group Insurance Scheme

**F) Provident Fund** : The Managing Director shall be entitled to contribution by the Company to Provident Fund as per rules of the Company.

**G) Superannuation Fund** : Superannuation Fund contribution as per rules of the Company.



SEAMEC LIMITED

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| <b>H) Gratuity</b>                                   | : Gratuity shall be payable as per rules of the Company  |
| <b>I) Company Car</b>                                | : Company maintained Car with driver   |
| <b>J) Earned/Privilege Leave</b>                     | : The Managing Director shall be entitled to Earned / Privilege leave on full pay and allowance, as per rules of the Company                               |
| <b>K) Sitting Fees</b>                               | : The Managing Director shall not be entitled to any Sitting fees for attending the meetings of the Board of Directors/ Committee of Directors.            |
| <b>L) Reimbursement of Business Expenses</b>         | : The Managing Director shall be also entitled to reimbursement of expenses actually and properly incurred for the business of the Company.                |
| <b>M) Telephone Expenses</b>                         | : Telephone Expenses including mobile phone and telephone at residence except long distance personal call shall be to Company's Account                    |
| <b>N) Increment and Performance Linked Incentive</b> | : The Managing Director shall be entitled to increment and Performance Linked Incentive on yearly basis as may be decided by the Board from time to time . |

The Agreement may be terminated by either party by giving three months notice in writing or the Company may terminate the contract by payment of the salary applicable to the period of notice.

The remuneration and the perquisites, including the monetary value thereof, specified in the agreement, may be enhanced widened, altered or varied in accordance with the relevant provisions of the Companies Act, 1956 for the payment of managerial remuneration in force from time to time.

Capt. C. J. Rodricks, as a Managing Director, shall not be liable to retirement of Directors by rotation.

The Agreement entered into between the Company and Capt. C.J. Rodricks is available for inspection by the members of the Company at the Registered Office of the Company on any working day excluding Saturdays and holidays, upto the date of the ensuing Annual General Meeting between 11.00 a.m. and 1.00 p.m.

Capt. C. J. Rodricks by qualification is a Masters degree (Foreign going) having vast experience of 35 years in Shipping industry. He had worked in Senior positions with many reputed Indian and foreign companies such as India Steam Ship Company, Essar Oil, Essar Shipping, GAL Offshore, Great Eastern Shipping, Seabulk Offshore etc. He joined Seamec in February 2003 as Chief Operating Officer. Effective from 1<sup>st</sup> January 2005 he was elevated to Board and appointed as Managing Director for a period of 3 years. Offshore Shipping Management is his expertise in specific functional area.

Capt. Rodricks does not hold any shares in your Company.

Your Directors recommend this resolution for your approval.

None of the Directors except Capt. C. J. Rodricks is concerned or interested in this resolution.

**Registered Office :**

401-404, 4th Floor, The Eagle's Flight,  
Suren Road, Off. Andheri Kurla Road,  
Andheri East, Mumbai - 400 093.

**By order of the Board**

S. N. Mohanty  
Chief Legal Officer &  
Company Secretary

Dated, 14th February, 2008

**Details of Directors seeking reappointment in the 21<sup>st</sup> Annual General Meeting to be held on Tuesday, 29<sup>th</sup> April, 2008, pursuant to requirement of Clause 49 (VI) of Listing Agreement on Corporate Governance**

**MR. SHARDUL THACKER**

Mr. Shardul Thacker is an eminent Legal Professional having vast experience in the field of law more specifically in Banking Corporate Law, crossborder transactions and project on ship finance etc. He is the Partner of Mulla and Mulla & Craigie Blunt & Caroe, Advocates, Solicitors and Notaries since 1977. He was enrolled as Solicitor, Law Society in 1973 and admitted as Solicitor of Supreme Court of England in 1981 and Supreme Court of Hongkong in 1982. Mr. Thacker is a Director on the Board of following Indian Public Companies viz. Formento Resorts and Hotels Ltd, Ruby Mills Ltd. and RPG Enterprises Ltd. Mr. Thacker is the member of remuneration committee of Formento Resorts and Hotels Ltd., and Ruby Mills Ltd., member of Audit Committee of Ruby Mills Ltd., and is also the Chairman of Shareholders / Investors Grievance & Transfer Committee and member of Audit Committee of your Company's Board. Mr. Thacker does not hold any share in your company.





SEAMEC LIMITED

## DIRECTORS' REPORT

To  
The Members

Your Directors have pleasure in presenting the Twenty first Annual Report of the Company and the Audited Accounts for the year ended 31<sup>st</sup> December, 2007.

### 1- Financial highlights

#### Audited Financial Results for the year ended 31<sup>st</sup> December, 2007

*Figures in Rs. million*

	Year ended 31.12.2007	Year ended 31.12.2006
Net Sales/Income from Operations	1705	1591
Other Income	88	45
Total Expenditure		
a. Consumables & Spares	125	189
b. Staff Costs (including offshore staff)	636	472
c. Dry Dock expenditure incurred	175	-
d. Other Expenditure	253	222
Earnings before Interest, Depreciation & Tax	604	753
Interest	4	3
Depreciation	190	149
Exceptional Items	7	-
Profit before Tax	403	601
Tax Expenses for the year	33	15
Profit after Taxation	370	586
Paid up Equity Share Capital	339	339
Reserves (as per Balance Sheet)	2408	2037
Basic and diluted EPS for the period ( Rs )	10.92	17.28

During the year under review the Company's total revenue was Rs. 1793 million as against Rs. 1636 million in the previous year reflecting an increase of about 10% over the previous year. The primary reason for increase in revenue was due to comparatively higher charter rate earned though there was a decrease in the number of days of deployment of vessels.

Despite increase in turnover, profit after tax was Rs. 370 Mil against Rs. 586 Mil during the previous year, a decrease of about 36% in 2007. Expensing out of the dry dock costs incurred during the year under review for vessels Seamec I and Seamec II (Rs. 175 Mil), additional depreciation and general maintenance cost of Seamec Princess undergoing modification (Rs. 102 Mil) are major factors attributed to the decline in profit. In addition, fire accident caused in SEAMEC II had sizable impact both in terms of revenue and cost amounting to Rs. 152 Mil affecting profit of current