



SEAMEC LIMITED
THE MEMBER OF THE TECHNIP GROUP



Annual Report 2012-13

Contents

Board of Directors	1
Notice	3
Directors' Report	5
Report on Corporate Governance	9
Auditors' Certificate on Corporate Governance	19
Management Discussion & Analysis Report	20
Ten Years at a Glance	22
Auditors' Report Standalone Accounts	23
Balance Sheet	26
Profit & Loss Account	27
Cash Flow Statement	28
Notes to Financial Statement	30
Auditors Report Consolidated Accounts	47
Consolidated Balance Sheet	48
Consolidated Profit and Loss Account	49
Cash Flow Consolidated	50
Notes to Consolidated Financial Statement	52



A MEMBER OF THE TECHNIP GROUP

TWENTY SIXTH ANNUAL REPORT 2012-13

BOARD OF DIRECTORS

Mr. Shardul Thacker, Chairman
Mr. Carl Holmen
Mr. Georges Michel
Ms. Muriel Hurstel
Ms. Bhavna Doshi
Captain C.J. Rodricks, Managing Director
Mr. Alain Marion, Alternate to Mr. Carl Holmen
Mr. Emmanuel Fontan, Alternate to Georges Michel
Mr. Vincent Taravella, Alternate to Ms. Muriel Hurstel

BOARD COMMITTEE

Audit Committee

Ms. Bhavna Doshi, Chairperson
Mr. Shardul Thacker
Ms. Muriel Hurstel

Shareholders / Investors

Grievance & Transfer Committee

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

Management Committee

Captain 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. LLP
Chartered Accountants
16th Floor, The Ruby,
29 Senapati Bapat Marg,
Dadar (W), Mumbai - 400 028

BANKERS

IDBI Bank Limited

REGISTRARS & SHARE TRANSFER AGENTS

C B Management Services (P) Ltd.
P-22, Bondel Road, 2nd Floor, Kolkata 700 019
Tel : (033) 4011 6700 / 6711 / 6723
Fax : (033) 4011 6739
Email : rta@cbmsl.com

REGISTERED & CORPORATE OFFICE

A - 901 - 905, 9th Floor,
215 Atrium, Andheri Kurla Road,
Andheri East, Mumbai - 400 093.
Tel ; (022) 6694 1800
Fax : (022) 6694 1818
Email : seamec@bom5.vsnl.net.in
Website : www.technip.com/en/entities/seamec-ltd

CHIEF LEGAL OFFICER & COMPANY SECRETARY

Mr. S. N. Mohanty



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

ATTENTION ALL SHAREHOLDERS

Present address of the Registered Office of the Company is at:

A - 901 - 905, 9th Floor, 215 Atrium, Andheri Kurla Road,
Andheri East, Mumbai - 400 093.

Tel : (022) 6694 1800

Fax : (022) 6694 1818

Email : Seamec@bom5.vsnl.net.in

Website : www.technip.com/en/entities/seamec-ltd

All Communication, pertaining to shares, should be made
either to the Company's Registered office
at the above address OR to the
Registrar & Share Transfer Agents :

C B Management Services (P) Ltd.

P-22, Bondel Road, 2nd Floor, Kolkata 700 019

Tel: (033) 4011 6700 / 6711 / 6723 • Fax : (033) 4011 6739

E-mail: rta@cbmsl.com

NOTICE

TO THE MEMBERS

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of SEAMEC LIMITED will be held on Tuesday, 6th August'2013 at 4.30 PM 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 31st March'2013 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 ordinary resolution:
RESOVED THAT Ms. Muriel Hurstel be and is hereby appointed as Director of the Company whose period of office shall be liable to determination by retirement by rotation.

Registered Office :
A-901-905, 9th Floor,
215 Atrium,
Andheri Kurla Road,
Andheri (East)
Mumbai – 400 093

By order of the Board

S. N. Mohanty
Chief Legal Officer & Company Secretary

Dated, 23rd May'2013

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. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 1st August'2013 to 6th August'2013 (both days inclusive).
4. 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 7 (Seven) days before the meeting, to enable the Company to keep the information ready at the time of the meeting.
5. 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, 5th Floor, Kolkata – 700 019.
6. Members are requested to bring their copies of the Annual Report and Accounts to the Meeting.
7. Members / Proxies should bring the Attendance Slip duly filled in for attending the meeting.
8. Members are requested to quote the ledger folio or Client ID and DP ID numbers in all communications with the Company.
9. Pursuant to "Green Initiative" as per Circular Nos.17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs, New Delhi, all shareholders communication including notices and Annual Reports will be sent to email addresses of the members available with the Company and Depositories.



EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

ITEM NO. 4.

Ms. Muriel Hurstel, aged 41 years was appointed as Director of the Company on 30th May 2012 in the casual vacancy caused due to change in the nomination of Mr. Christophe Armengol by COFLEXIP STENA OFFSHORE MAURITIUS LIMITED (CSOML). Ms. Hurstel, pursuant to the provisions of section 262 (2) of the Companies Act, 1956, holds office up to the date of this Annual General Meeting. Ms. Hurstel, by qualification is a Master of Business and Economics (France) with over eighteen years of experience in Finance in Oil and Gas industry. Ms. Hurstel is employee of Technip SA France. Based in Paris, Ms. Hurstel holds the position of Vice President, Finance, Subsea Division. Ms. Hurstel does not hold any shares in the Company in India nor is a member of any committee in India.

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 Ms. Muriel Hurstel 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 Ms. Muriel Hurstel as Director and therefore recommend adoption of the resolution proposed under item no. 4 of the notice.

Except Ms. Muriel Hurstel, no other Director is concerned or interested in the resolution. The above disclosure is also pursuant to clause 49 (VI) of the listing agreement on Corporate Governance.

Registered Office :
A-901-905, 9th Floor,
215 Atrium,
Andheri Kurla Road,
Andheri (East)
Mumbai – 400 093

Dated, 23rd May'2013

By order of the Board

S. N. Mohanty
Chief Legal Officer & Company Secretary

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE 26TH ANNUAL GENERAL MEETING TO BE HELD ON TUESDAY, 6TH AUGUST'2013, 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, Cross-border transactions, Project and Ship Finance. He is the partner of Mulla & Mulla & Cragie Blunt & Caree, Advocates, Solicitors and Notaries. He is the Solicitor Law Society Mumbai and is admitted as Solicitor of Supreme Court of England and Supreme Court of Hong Kong. Mr. Thacker is a Director on the Board of Fomento Resorts & Hotels, Ruby Mills and RPG Enterprises Ltd.

Mr. Thacker is the Chairman of Board of Directors, Shareholders/Investors Grievance & Transfer Committee and Remuneration Committee of your Company besides being a member of Audit Committee. Mr. Thacker doesn't hold any shares in your Company.

DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting the Twenty-Sixth Annual Report of the Company and the Audited Accounts for the Financial year ended 31st March, 2013.

1. FINANCIAL HIGHLIGHTS

(Figures in Rs. Million)

	Current Year Period ended 31.03.2013	Previous Period ended 31.03.2012
Net Sales/Income from Operations	3373	1818
Other Income	242	180
Total Expenditure		
a. Consumables & Spares	329	290
b. Staff Costs (including offshore staff)	716	621
c. Dry Dock expenditure incurred	-	131
d. Other Expenditure	1801	702
Earnings before Depreciation & Tax	789	254
Depreciation	369	312
Profit / (Loss) before Tax	400	(58)
Tax Expenses for the year	59	45
Profit / (Loss) after Taxation	341	(103)
Add: Balance brought forward from previous year	2139	2242
Surplus available for appropriation	2480	2139
Appropriation:		
Transfer to General Reserve	-	-
Transfer to Tonnage Tax Reserve	44	-
Retained profit carried forward	2436	2139

The Global Economy has yet to shake off the fallout from the crisis of 2008-2009. Mature economies are still yet to recover from the effects of this downturn. Slow recovery of world's economy is partly responsible for the downward trajectory and tapering growth of the shipping industry, more so in India, Middle East and South East Asia, where your Company's majority operations focused during the year under review. This has impacted the employment of vessels and Charter rates in your Company's line of business.

Despite the above your Company performed significantly well through its endeavour.

During the year under review the Company's total revenue was Rs.3615 million as against Rs.1998 million in the previous year, an increase of about 81%. Income from operations was Rs.3373 million as against Rs.1818 million in the previous year, reflecting an increase of about 86%. Against loss of Rs.(103) million suffered in previous year, your Company registered a profit of Rs.341 million during the year under review. Revenue from operations from domestic sector was Rs.1957 million and from overseas sector was Rs.1416 million. The enhanced performance of the current financial year was attributed to the consolidation of three derivative factors viz; deployment of vessels, securing reasonable charter rate and effective cost control.

Your Company continued to undertake cost control measures to minimize negative burden. Your Company continues to retain its debt free status. Cash Balance at the beginning of financial year was Rs.416 million. The balance at the end of the year was Rs.1004 million, an increase of 141% over last year.

As reported earlier, Directorate of Revenue Intelligence (DRI) provisionally assessed customs duty of Rs.126 million towards duty on repairs/modifications carried out outside India. The Company paid the above amount "under Protest – Subject to adjudication". The Company had also furnished a Bank Guarantee for Rs.83 million. DRI, after final assessment issued Show Cause Notices assessing duty Rs.350 million, Interest, Penalty etc. The Company submitted replies to Commissioner of Customs (Import), the



Adjudicating Authority, who after adjudication finally confirmed the duty, interest, penalty etc. You Company is contemplating to file appeal before the Hon'ble Appellate Tribunal.

From the Assessment year 2005-06 (relevant accounting year 2004-05) your Company has come under Tonnage regime available for shipping Companies under chapter XII – G of Income Tax Act, 1961. Your Directors have, therefore recommended transfer of Rs.63 million from current year surplus to Tonnage Tax Reserve U/S 115 v of Income Tax Act, 1961.

2. DIVIDEND

Your Directors has decided to conserve the surplus for future growth and therefore does not recommend dividend distribution for the year under review.

3. OPERATIONS OFFSHORE

The Company owns and operates four multi support vessels. The Company operates an additional vessel under Bareboat Charter from SEAMEC INTERNATIONAL FZE your Company's Wholly Owned Subsidiary, effective from January'2012.

The Company improved its performance during the year under review. Overall deployment has increased significantly to 85% against 62% of last year.

The Company's Vessels during the year in general operated in India Middle East and South East Asia. Two of your Company's Vessels are placed on Long Term Charter and are deployed in Indian water. Other vessels had established a good deployment status. Out of the total 1551 days of deployment, vessels domestic operations registered 927 days and overseas operation was for 624 days. The Vessel owned by SEAMEC INTERNATIONAL FZE, was taken under Bareboat Charter, deployed in West Africa for a project with Technip effective from January'2012.

4. DIRECTORS AND MANAGEMENT

Your Company is a subsidiary of Coflexip Stena Offshore (Mauritius) Ltd. (CSOML), which ultimately is owned by Technip S. A. France.

In accordance with the provisions of Companies Act, 1956 and the Articles of Association of the Company, Mr. Shardul Thacker, Director of the Company, retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

Ms. Muriel Hurstel was appointed as a Director on 30th May 2012 as nominee of Coflexip Stena Offshore (Mauritius) Ltd (CSOML) in the casual vacancy caused by withdrawal of nomination of Mr. Christophe Armangol. Ms. Muriel Hurstel holds office till the ensuing Annual General Meeting of the Company.

The Company has received a notice from a member under subsection (1) of section 257 of the Companies Act, 1956 signifying its intension to propose the name of Ms. Muriel Hurstel as Director of The Company at the ensuing Annual General Meeting.

Capt. C. J. Rodricks whose previous tenure as Managing Director expired on 31st December 2012, was re-appointed as Managing Director of the Company, on the terms & conditions approved by shareholders through postal ballot for a further period of 2 years effective from 1st January 2013.

5. AUDITORS

M/s. S. R. Batliboi & Co. Chartered Accountants, (since changed to M/s S. R. Batliboi & Co. LLP) the Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and they are eligible for re-appointment.

6. AUDITORS' REPORT

The observations in the Auditors' Report have been dealt with in the relevant Notes to Accounts, which are self-explanatory.

7. RELATED PARTY TRANSACTIONS

A statement of related party transaction pursuant to Accounting Standard 18 is given in Note 31 (Notes to Accounts).

8. CORPORATE GOVERNANCE

The Company believes that Corporate Governance is a way of business life rather than legal compulsion.

Your Directors re-affirm their commitment to the Corporate Governance standards prescribed by Securities and Exchange Board of India (SEBI) codified as Clause 49 of the Listing Agreement with Stock Exchanges. Corporate Governance and Management Discussions and Analysis Report as well as Corporate Governance compliance certificate by Auditors are set out in separate Annexures to this report.

9. INVESTOR SERVICES

As the members are aware, your company's shares are tradeable compulsorily in electronic form with effect from 24 August 2000 and your company has established connectivity with both the depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). In view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of de-materialization of Company's shares on either of the Depositories as aforesaid.

10. WHOLLY OWNED SUBSIDIARY

SEAMEC INTERNATIONAL FZE, Dubai, UAE is the Wholly Owned Subsidiary of your Company. As per the regulatory provision the consolidated financial statement of your Company and its wholly owned subsidiary for the financial Year ended on 31st March 2013 duly audited by Statutory Auditors is attached to the annual report of the Company. The Annual Accounts of the Wholly Owned Subsidiary and the related detailed information shall be made available to the shareholders on request at any point of time.

11. HUMAN RESOURCES

Your Company considers people as one of the most valuable resources. All employees are committed to their work and proactively participate in their area of operations. The continuous training courses give employees the opportunity to improve their skill leading to consistent improvements in systems and practices and adhering to SEAMEC value. Health and Safety of the employees and our associates we work with remains our paramount importance. Your Company ensures that operations are carried out as per the safety guidelines and procedures in place which are regularly updated. Employees are regularly made aware of hazards/risks associated with their jobs and appropriate training is imparted to them to improve their skills. Periodic safety audit are undertaken to confirm the proper functioning of system and procedures.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

The information to be furnished under Section 217(1)(e) of the Companies Act, 1956 is annexed to this report.

13. PARTICULARS OF EMPLOYEES

The particulars required under Section 217(2A) of the Companies Act, 1956 are also furnished in the Annexure.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956 your Directors state that :

- a. In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure, if any.
- b. Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and the loss of the Company for the period.
- c. Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. Directors had prepared the annual accounts on a going concern basis.

15. ACKNOWLEDGEMENT

Your Directors record their sincere appreciation of the dedication and commitment of all employees in achieving and sustaining excellence for the company's business. Your Directors thank the valued shareholders, customers, suppliers, Banks, Registrar and Share Transfer Agent for their continuous support to the company.

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 23, 2013

Shardul Thacker
Chairman



ANNEXURE TO THE DIRECTORS' REPORT

Information under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ending 31st March, 2013.

A. TECHNOLOGY ABSORPTION

The Company's activities, being in the service sector in oilfield operations, are currently confined only to rendering services offshore and do not necessitate expenditure on R & D. However, the standards of the particular industry regarding foreign technology absorption have been achieved indigenously to a great extent.

B. FOREIGN EXCHANGE EARNINGS & EXPENDITURE

During the period under review, the Company's foreign exchange earnings were equivalent to Rs. 2987 million and foreign exchange outgo was equivalent to Rs. 1582 million.

Statement of particulars of Employees, pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, forming part of the Directors' Report for the year ended 31st March, 2013.

Name	Age (Yrs)	Designation	Remuneration	Qualifications	Experience (Yrs)	Date of Commencement	Previous Employment
Employed for the Period							
Capt. Christopher J. Rodricks	60	Managing Director	Rs. Million 25.96	Master – Foreign going vessel	39	28.02.03	Seabulk Offshore, Dubai

NOTES:

1. Nature of employment: Contractual in accordance with terms and conditions as per Companies Rules.
2. Remuneration includes salary, allowances. Leave encashment, companies contribution to retiral funds etc and monetary value of other perquisites