



SEAMEC LIMITED

**ANNUAL REPORT
2020-21**



CONTENTS

Corporate Overview	01-07	Statutory Reports	10-60	Financial Statements	70-134
Know us Better - - - - -	01	Notice - - - - -	10	Standalone	
Our Key Differentiators - - - - -	04	Directors' Report- - - - -	18	Independent Auditor's Report- - -	70
From the Chairman's Desk - - - - -	06	Report on Corporate Governance - - - - -	40	Balance Sheet - - - - -	76
Board of Directors - - - - -	07	Management Discussion and Analysis Report- - - - -	57	Statement of Profit and Loss - - -	77
		Business Responsibility Report - - -	60	Cash Flow Statement - - - - -	78
				Statement of Changes in Equity- -	80
				Notes to Financial Statements - -	82
				Consolidated	
				Independent Auditor's Report - -	124
				Balance Sheet - - - - -	128
				Statement of Profit and Loss - - -	129
				Cash Flow Statement - - - - -	130
				Statement of Changes in Equity -	132
				Notes to Financial Statements - -	134

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Sanjeev Agrawal, Chairman
Mr. Surinder Singh Kohli
Mrs. Seema Modi
Mr. Deepak Shetty
Mr. Subrat Das
Mr. Naveen Mohta

BOARD COMMITTEE Audit Committee

Mr. Deepak Shetty, Chairman
Mr. Surinder Singh Kohli
Mrs. Seema Modi
Mr. Subrat Das

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mrs. Seema Modi, Chairperson
Mr. Sanjeev Agrawal
Mr. Naveen Mohta

NOMINATION & REMUNERATION COMMITTEE

Mr. Surinder Singh Kohli, Chairman
Mr. Sanjeev Agrawal
Mrs. Seema Modi
Mr. Deepak Shetty

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Sanjeev Agrawal, Chairman
Mr. Deepak Shetty
Mrs. Seema Modi

CORE COMMITTEE

Mr. Sanjeev Agrawal
Mr. Anant Agrawal
Mr. Naveen Mohta
Mr. Subrat Das
Mr. S. N. Mohanty
Mr. Rajeev Goel
Mr. Vinay Kumar Agarwal

PRESIDENT - CORPORATE AFFAIRS LEGAL & COMPANY SECRETARY

Mr. S. N. Mohanty

AUDITORS

T.R Chadha & Co LLP
Chartered Accountants
502, Marathon Icon,
Off. Ganpatrao Kadam Marg,
Opp Peninsula Corporate Park,
Lower Parel,
Mumbai - 400013

BANKERS

IDBI Bank Limited
Punjab National Bank
HDFC Bank Limited
IndusInd Bank

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 : contact@seamec.in
Website : www.seamec.in
CIN : L63032MH1986PLC154910

CHIEF FINANCIAL OFFICER

Mr. Vinay Kumar Agarwal

KNOW US BETTER

Seamec Limited (SEAMEC), is an established, reputed name in the offshore shipping industry, providing offshore oilfield services and Diving Support Vessels (DSV) in India and abroad. We provide DSVs and Turnkey subsea solutions requiring provision of Divers and ROVs etc., as well as third party vessel management services for DSVs.

SEAMEC is an ISO 9001:2015, ISO 14001:2015 and ISO 18001:2007 certified Company, which conforms to Quality, Health, Safety, Environmental (QHSE) standards and occupational health along with Shore Based Management system.

SEAMEC owns and operates four multi-support vessels for the provision of diving services, manned and unmanned subsea operations and related activities. Besides, SEAMEC has tie-ups with various other ship owners for taking their vessel on charter and executing lumpsum / day rate based assignments where SEAMEC undertakes the complete project management. The Company has recently diversified from its offshore shipping vertical to main fleet shipping vertical by acquiring bulk carriers of various sizes. Today, SEAMEC operates in two distinct verticals of shipping business – Offshore Shipping and Main Fleet Shipping. At the core of our operations are robust infrastructure, a strong team of dedicated highly skilled marine and diving management personnel, technical personnel, crewing and procurement officers. Today, SEAMEC's footprints are all around the globe.

SEAMEC also intends to diversify to tunnel and EPC Contracts.

The Company is managed by Board of Directors comprising eminent personalities from diverse fields.

OFFSHORE SHIPPING

SEAMEC's offshore fleets include SEAMEC II, SEAMEC III, SEAMEC PRINCESS and SUBTECH PALADIN which are multi-support, multi-functional DSVs. Offshore Shipping contribute bulk of the revenue and profit of the Company.



SEAMEC II



SEAMEC III



SEAMEC PRINCESS



SUBTECH PALADIN

**BULK CARRIERS**

To diversify our income streams, the Company has entered the bulk carrier segment in the year 2017. The Company along with its wholly owned subsidiary possesses four bulk carriers that facilitate marine transportation of various dry-bulk materials, including food staples, commodities, industrial products and scrap. Out of these four bulk carriers, Seamec Gallant operates under SEAMEC, Marine Fortune and MS Good Hope, are owned and operated by Seamec International FZE, our wholly-owned subsidiary and Asian Pearl is owned and operated by Seamate Shipping FZC, Step Down Subsidiary.

**SEAMEC GALLANT**

Purchased in 2017

**GOOD HOPE**

Purchased in 2018

**MARINE FORTUNE**

Purchased in 2019

**ASIAN PEARL**

Purchased in 2020

SHAREHOLDING**SEAMEC is a subsidiary of HAL Offshore Limited (HAL)**

HAL is a leading, end-to-end solutions provider of underwater services and provides EPC services to the Indian Oil and Gas industry. HAL is also engaged in Charter hire of Diving Support Vessels in Mumbai High areas, undertaking diving, fire-fighting, material logistic activities etc. Over the years, HAL has developed a diversified portfolio for undertaking Turnkey projects involving sub-sea and marine services as an EPC Contractor. HAL and SEAMEC in combination represents a formidable force to reckon with.

HAL is also the owner of MSV HAL Anant along with OSV HAL Supporter and HAL Goodman.

Cumulatively, the Promoter Company and SEAMEC hold the largest fleet for MSV/DSV in the Asia-Pacific region.

Presently, the aggregate shareholding of HAL along with members of Promoter Group account for 71.96% of total equity share capital of the Company.

LISTING**SEAMEC is listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)****Seamec International FZE, our Wholly Owned Subsidiary**

Seamec International FZE was established with limited liability with Dubai Airport Free Zone Authority, Government of Dubai on March 14, 2010. The share capital of the Establishment as on March 31, 2020 is AED 3,000,000 (AED Three Million Only) (Equivalent USD 817,440) divided into 3 shares of AED 1,000,000 each held by Seamec Limited, India.

The principal activities of the Establishment are Charter, Ship Management & Operation and Shipping Lines of Freight & Passengers Transportation. It has now emerged in active operations through its two bulk carriers namely: Supramax Bulk Carrier named 'MS GOOD HOPE' and Panamax 'MARINE FORTUNE'.

Seamate Shipping FZC, Step Down Subsidiary

Seamec International FZE, Wholly Owned Subsidiary of the Company, has incorporated a subsidiary company by name "Seamate Shipping FZC" in Joint Venture with Arete Shipping DMCC in Ajman Freezone, U.A.E. on September 9, 2020. The said Company is engaged in Ships management and operation. The subsidiary has acquired a bulk carrier by name 'Asian Pearl' on October 22, 2020, which has been put on bareboat charter immediately on acquisition.

Seamec International FZE and Seamate Shipping FZC are professionally managed by the Board of Directors in compliance with applicable regulatory enactments. Majority of the members of the Board of Directors of these entities comprise of nominees of their parent companies, respectively.





OUR KEY DIFFERENTIATORS

Largest Fleet of Multi-Support Vessels

India's largest fleet of multi-functional vessels

Business Module

In tune with the market environment, SEAMEC uses its strong technical capabilities and secured long term as well as short term deployment of its MSV. In bulk segment, module is to have long term continuous deployment.

Strengths

Qualified manpower, potential technical capabilities and determination resulted in successful working in all critical phases.

Proven Track Record - Timely Execution

Efficient execution of short-term as well as long-term projects. Deliver on-time / often ahead of contractual timelines



Competent Commercial Management

Ability to secure and undertake various contracts which are executed after having risk analysis, mitigation measures and cost-benefit analysis keeping in mind the overall benefit of the Company

Proactive Preventive Maintenance

Helps us reduce the need for breakdown/offhire and achieve superior operational efficiency and deployment rates

Financial Strength

Continues to be a debt free company. Overall financial strength continues to remain positive having continuity in the trend of profitability

SAFETY & MARINE MANAGEMENT SYSTEM

SEAMEC adheres to QHSE (Quality, Health, Safety, and Environment) standards and is compliant with all necessary regulatory and statutory requirements. It implements systematic plans and procedures that ensures the safety of the vessel and operators. It conducts extensive offshore safety audits of the vessels twice a year as per the statutory requirements.

The Company has established a well-designed and robust Marine Management System (MMS) that facilitates seamless coordination and interaction between onshore office staff and vessel operators. This enables the Company to monitor its operations while strengthening its safety factor.





FROM THE CHAIRMAN DESK



“ We are India’s largest offshore oilfield services facilitator. We own and operate four multisupport vessels that undertake multifarious offshore works including subsea maintenance. Along with our subsidiaries, we also own four Bulk Carriers that are engaged in transport of various materials across globe. ”

Globally, 2020 will be long remembered as the year how COVID-19 pandemic engulfed the global economy. A consensus prevailed amongst all how a tiny virus has destroyed global economy. One of the linchpins of global economy is the oil and gas. The global oil industry already entered a turbulent phase. Falling crude price already created enough distress amongst the investors in upstream sector. The oil field service provider curtailed capital expenditure primarily due to aggressive cost cutting at the client end. In short run, the Oil Companies can use their cash reserves to sail through financial turbulence but in the long run it would be risky to carry out capital intensive upstream unless scenario eases out.

In India, Government proposal for transformative policy changes expected to make petroleum sector

change the course of development, government support will catapult our economy back onto a rapid and sustainable growth trajectory.

The year gone by has been challenging to us. We faced hurdles in manifolds including undertaking statutory drydocking. Our workforce remained steady and committed and continued to give best possible results working from home in majority times in tune with emergence of concept BUSINESS TO GO REMOTE.

We are India’s largest offshore oil field service facilitators operating MSVs. We also own four bulk carriers that are mostly deployed on a fixed charter basis to transport various dry bulk materials including commodities and industrial products.

The Company has secured long term contract with Oil and Natural Gas Corporation Limited for two of its multi support diving vessels (MSVs). However, due to statutory drydocks and delay in mobilization in terms of contract, there was fall in number of deployment days and resultant revenue. We took a prudent decision in deciding sale / scrap of one vessel which has been idling over a long period and there is no promise for future deployment. We at the same time decided to purchase a multi support vessel – “Subtech Paladin” to expand

Company’s line of business having a long term vision and to remain as a prominent player.

In the bulk carrier segment, there has been a surge and this trend will continue to move upwards. We are confident, our vessels deployed in this segment will provide good yield. The four nos of Bulk Carrier owned by us and our subsidiaries performed fairly good with steady deployment.

As a diversification, we also endeavor to engage ourselves in Tunnel and EPC Contract by setting up a Joint Venture Company.

The second wave of COVID-19 pandemic has hit our country significantly. The Company does not anticipate adverse substantive impact on its business, operations, financials, cash flow, liquidity or ability to service its financial obligations going forward. However, the full extent to which the pandemic will impact the future financial results of the Company will depend on upcoming developments, which are highly uncertain. We are committed to closely monitor any material changes to future economic conditions and the impact thereof on the Company.

We act as a ‘Responsible Corporate Citizen’ and contribute to CSR activities as per regulatory requirements.

I thank all our key stakeholders for their continued support and faith in us. I would also like to thank all our employees for their dedicated efforts throughout these testing times. We are confident of achieving our growth objectives while ensuring sustainability and inclusive growth of all our stakeholders.

Warm Regards,

Sanjeev Agrawal
Chairman

BOARD OF DIRECTORS

Mr. Sanjeev Agrawal



Chairman

Sanjeev Agrawal is an eminent and successful Entrepreneur and heads MM Group to which SEAMEC belongs. Mr. Agrawal has vast experience of over 25 years in the field of Oil & Gas Sector, Soft Drinks, Fast Food Chain, Education, Hospitality and Real Estate. He is the Director of various Public Limited Companies viz. Fortune

Industrial Resources Limited, Hindustan Aqua Limited & Metbrass Plassim India Limited. Corporate Management is his area of expertise. Mr. Agrawal holds 3,95,476 equity shares of your Company as on March 31, 2021.

Mr. Surinder Singh Kohli



Independent Director

Mr. Surinder Singh Kohli is a B.Sc Mechanical Engineer, holding a Diploma in Industrial Finance, CAIIB.

Mr. Kohli has a phenomenal successful career over 43 years in the Banking Industry. Finance is his area of expertise. Mr. Kohli held the coveted post of Chairman and Managing Director of Punjab & Sind Bank, Punjab National Bank

and India Infrastructure Finance Company Ltd. Mr. Kohli is on the Board and Committees of various Companies viz: ACB (India) Ltd, BSES Yamuna Power Ltd, BSES Rajdhani Power Limited, Reliance Infrastructure Limited and Indian Technocrat Limited.

Mrs. Seema Modi



Independent Director

Mrs. Seema Modi by qualification holds a Master's degree in Organic Chemistry and MMS in Marketing and has vast experience of over three decades in Corporates both in India and overseas including working with a MNC. Mrs. Modi is the Director - Commercial, Marketing, Supply Chain and Display at Trent Hypermarket Private Limited. She has held the position of Managing Director in Heinz ABC Private Limited, Jakarta Indonesia, Heinz ASEAN and Heinz India Private Limited and later promoted to Regional Director in Strategic projects (RIMEA region - Nigeria and Pakistan). She has also been appointed as Independent Director of Huhtamaki Limited. General Management and Marketing are her core areas of expertise.

Mr. Deepak Shetty



Independent Director

Mr. Deepak Shetty, Independent Director, SEAMEC, was formerly a senior career civil servant in the Government of India. He was a direct recruit member of the 1980 batch of the Indian Revenue Service (Customs and Central Excise). He had multiple official assignments in his civil service career spanning 36 1/4 years. In his parent department he had eventually attained the rank of Principal Chief Commissioner of Customs, Central Excise and Service Tax.

In his first central deputation stint, he was Additional Textile Commissioner in the office of the Textile Commissioner, Ministry of Textiles, Government of India, at Mumbai, from 1996 to 2001, in the rank of Director to the Government of India. In his second central deputation term, he had served as Joint Director General of Shipping and then on a continuum as Director General of Shipping, Ministry of Shipping, Government of India, at Mumbai, from 2011 to 2016, successively in the ranks of Joint and

Additional Secretary to the Government of India. He was eventually empaneled and posted as Secretary to the Government of India - the highest rank in the civil service in India.

He has an extensive & intensive experience and expertise in maritime, indirect tax & civil aviation related administrations, law enforcement, crisis & risk management, legal, personnel, human resource development, transparency, business process engineering, automation, corporate governance matters, inter-alia.

He had dealt with and successfully resolved numerous international issues, including in global fora such as United Nations (UN), International Maritime Organisation (IMO), International Criminal Police Organization (INTERPOL), Contact Group on Piracy off the Coast of Somalia (CGPCS) etc.

He is a highly decorated civil servant, having bagged 24 awards and commendations at the national, regional and international levels, throughout his service career. Illustratively, he is the recipient of the Presidential Award of Appreciation Certificate for a Specially Distinguished Record of Service, bestowed on the Republic Day, 2002 and Commendation for Meritorious and Sincere Services Rendered, conferred on the International Customs Day, 2002. He has also been formally honoured with commendations by the Minister for External Affairs, Government of India, Minister for Maritime and Foreign Affairs, Government of Seychelles, Director (Maritime Security), INTERPOL, amongst others, for his outstanding contributions to resolution of multiple and complex issues and challenges, world-wide.

He stands empaneled on the Global Roster of Experts of the United Nations Security Council in the areas of Maritime Administration and Maritime Crime.

**Mr. Naveen Mohta****Whole Time Director**

Mr. Naveen Mohta is a qualified Chartered Accountant and Cost and Works Accountant. Mr. Mohta has 23 years of experience which includes 21 years with HAL Offshore Limited, the Promoter Company of SEAMEC Limited. Before joining HAL, Mr. Mohta has worked with India Gypsum Limited, a joint venture between Birla Group and BPB Plc UK

and has also interacted with various Government bodies such as SIPCOT, TNGST department, Excise, Pollution Control Boards etc. for getting various approvals and registrations for the green field project in Chennai, besides looking after accounts and finance function. In his present position, he looks after the operations and commercials of offshore fleets. His area of expertise is Commercial and Operations.

Mr. Subrat Das**Director**

Mr. Subrat Das is a qualified Chartered Accountant. Mr. Das has 29 years of experience in the field of Finance, Accounts and Taxation and Legal Matters. Mr. Das has worked with Shiv-Vani Oil & Gas Exploration Services Ltd, Great Eastern Energy Corporation Limited, Ortel Communications Ltd, UNDP/GEF Project (Steel), New Delhi, Modi

Korea Telecommunications Ltd, Usha Ispat Ltd, Rathni Alloys & Steel Ltd. His area of expertise is Finance and Accounts.

KEY MANAGERIAL PERSONNEL OF THE COMPANY**S.N. Mohanty****President - Corporate Affairs, Legal & Company Secretary**

Mr. S. N. Mohanty has over three decades of experience in the areas of corporate affairs, compliance corporate governance, legal, commercial, procurement, audit, HR and Admin, insurance, Information Technology, Finance and Taxation and business development. By qualification, Mr. Mohanty is Masters

in Commerce, Company Secretary, Cost and Management Accountant and has a degree in Law. Mr. Mohanty is also a Director on the Board of Seamec International FZE, wholly-owned subsidiary of the Company and Seamate Shipping FZC, Step Down Subsidiary. Mr. Mohanty is also entrusted with the operations of overseas subsidiaries and business development.

Mr. Vinay Kumar Agarwal**Chief Financial Officer**

Mr. Vinay Kumar Agarwal is a Chartered Accountant by qualification. He has 28 years of experience in diverse sectors, including print/electronic media, film & TV content production, and the education industry. He has a track record of setting, scaling, and strengthening the F&A function including internal audit,

commercials and SCM functions for multi-entity organisations and groups. Mr. Agarwal's core areas of expertise include financial planning, fund mobilisation, financial systems and processes, budgeting and forecasting, taxation, and legal matters.