



SEC/48/2017-63

September 05, 2023

The Manager Compliance Department BSE Limited Phiroze Jeejeebhoy Tower Dalal Street Mumbai – 400 001	The Manager Compliance Department The National Stock Exchange of India Limited Exchange Plaza Bandra – Kurla Complex, Bandra (East) Mumbai – 400 051
Scrp Code/Symbol: 540678/COCHINSHIP	

Dear Sir / Madam,

Subject: Annual Report of Cochin Shipyard Limited for the financial year 2022-23 including the Notice for the 51st AGM

1. Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Annual Report of the Company for the financial year 2022-23 including the Notice for the 51st Annual General Meeting (AGM), which is being circulated to the shareholders through electronic mode.
2. The Annual Report including the AGM Notice is being hosted on the Company's website at www.cochinshipyard.in and on the website of e-voting Agency, National Securities Depositories Limited (NSDL) at www.evoting.nsd.com.
3. The above is for your information and record please.

Thanking you,

For Cochin Shipyard Limited





Globally Local

Annual Report 2022-23

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www.cochinshipyard.in

Forward-looking statements

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

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FY 2023 in focus

₹2,330.46 Crores

Turnover

₹25.43

EPS

₹533.40 Crores

EBITDA

₹1,766.45 Crores

Total income from shipbuilding

₹334.49 Crores

PAT

₹564.01 Crores

Total income from ship repairs

With a rich legacy spanning over five decades, Cochin Shipyard Limited (CSL) has established itself as a global hub for shipbuilding, Ship repair and refits. CSL is renowned for its state-of-the-art infrastructure, skilled workforce and commitment to delivering high-quality vessels to clients worldwide.

CSL has played a significant role in the growth and development of the Indian maritime industry, contributing to both domestic and international trade.

CSL endeavours to innovate in existing and emerging technologies in its business processes to benchmark with the best standards followed across the globe to deliver unmatched engineering and service excellence. The Shipyard's expertise extends beyond shipbuilding and ship repair, as it also offers services such as offshore vessel construction, refits and conversions, marine engineering, strategic and advanced solutions in the maritime space etc., making it a one-stop hub where the world comes for ships.

CSL is committed to implementing innovative and eco-friendly solutions in all its engineering projects in an effort to minimise our carbon footprint and promote renewable energy sources, ensuring a greener and more sustainable tomorrow. As part of its commitment to sustainability, CSL has invested in research and development to explore alternative fuels and energy-efficient technologies for its vessels. Additionally, CSL collaborates with industry experts and partners to exchange knowledge and best practices in order to continuously improve its environmental performance.



Shaping the future of maritime sector

Cochin Shipyard is a renowned shipbuilding and ship repair company committed to excellence and innovation in the maritime industry. With a rich legacy spanning over five decades, we have emerged as a trusted name in delivering world-class vessels and providing comprehensive ship repair services.

Our state-of-the-art facilities and skilled workforce enable us to cater to a diverse range of requirements, ranging from commercial ships to naval vessels. Our team's expertise and experience allow us to deliver high-quality solutions that meet the highest standards of performance and reliability.

We take pride in our unwavering commitment to quality, safety and delivery, ensuring the utmost satisfaction of our esteemed clients. At Cochin Shipyard, we constantly strive to push boundaries, embracing cutting-edge technologies and sustainable practices, as we continue to shape the future of the maritime sector.

Vessels Built and Delivered (Total as on March 31, 2023)

21
Large vessels

35
Offshore Support vessels

93
Small & medium vessels

31
Defence vessels



Vision

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



Objectives

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



Mission

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

Maintaining an impeccable track record

We have a strong track record of building and delivering prestigious vessels, including the Indigenous Aircraft Carrier for the Indian Navy. Our expertise extends to constructing and repairing some of the largest ships in India. As a recognition to our strong financial performance, operational efficiency and contribution to national security, CSL has been upgraded to a 'Schedule A' CPSE by the Government of India.

Throughout the years, we have adapted to changing market demands, progressing from bulk carriers to more advanced and technically sophisticated vessels such as Platform Supply Vessels (PSV) and Anchor Handling Tug Supply Vessels (AHTS). CSL has pioneered in the green vessels segment, successfully building and delivering green vessels to domestic as well as international clientele.

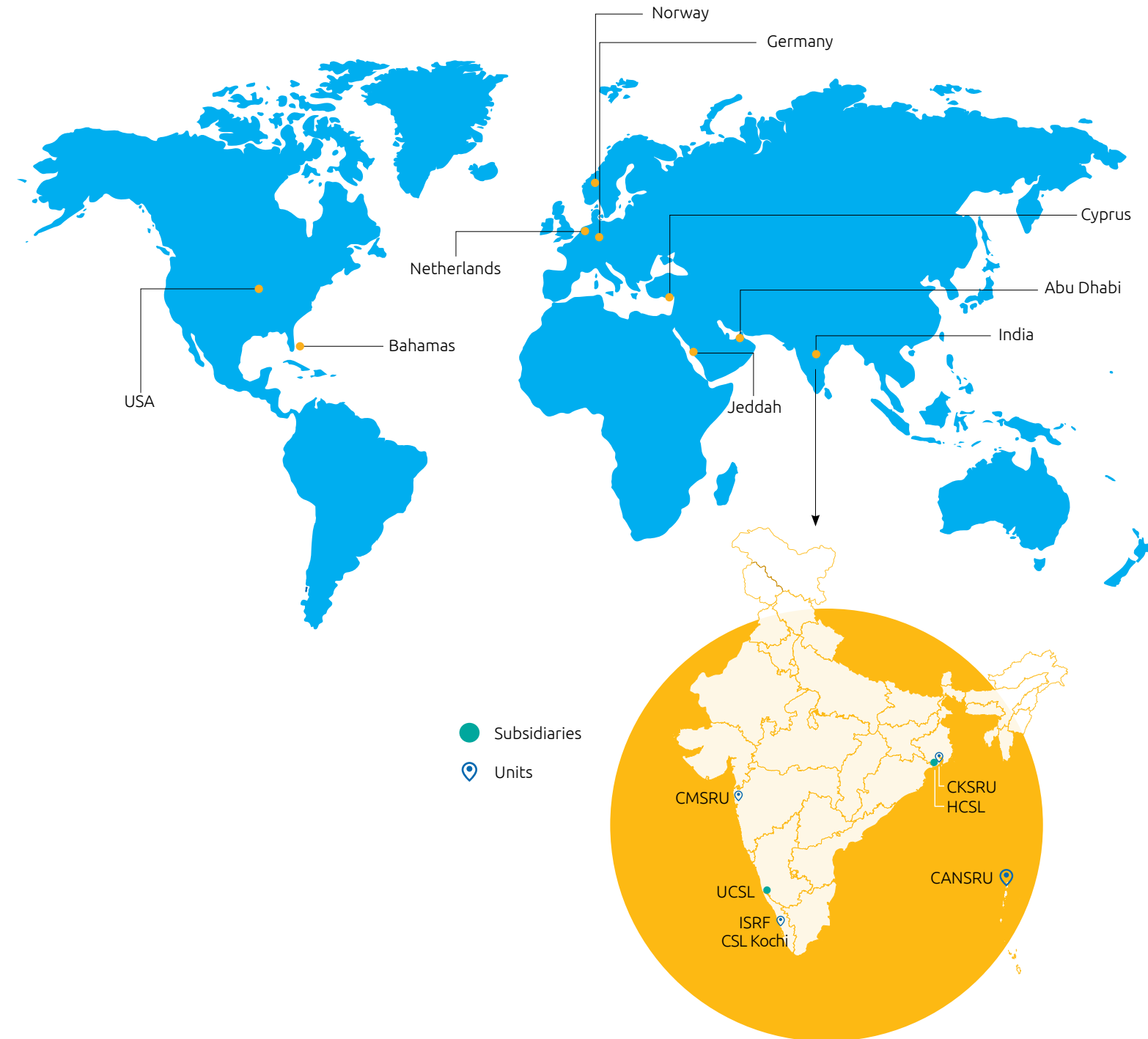
Collaborating with renowned technology firms like Rolls Royce Marine, GTT, IHC Holland, Robert Allan, Fincantieri, Vard Group etc., we have solidified our position in the international market, exporting 47 vessels to esteemed clients in countries such as Norway, Netherlands, Cyprus, USA, Germany, Denmark/ Bahamas, Saudi Arabia and UAE.

Within the domestic market, we have established strong relationships with key clients such as the Indian Navy, the

Indian Coast Guard, the Ministry of Home Affairs, the Shipping Corporation of India Limited, the Lakshadweep Government, various Ports, the Inland Waterways Authority of India (IWA), the A&N Administration, the Directorate General of Lighthouses and Lightships (DGLL), and the JSW Group. Our services also encompass the repair and upgradation of vessels, including those in the oil exploration industry, as well as routine maintenance, repairs, and life extension of ships.



Delivering excellence beyond borders



Map not to scale

Enhancing our manufacturing capacities

With advanced technologies and state-of-the-art infrastructure, we ensure top-notch shipbuilding and repair services. Our dedicated workshops, equipped with cutting-edge machinery, allow us to deliver high-quality ships.

Our dry docks and other facilities provide a secure environment for efficient construction and maintenance. Committed to sustainability, we prioritise eco-friendly practices and channelises our resources to keep up with international standards, wherever possible.



Kochi, Kerala

We possess exceptional infrastructure that enables the construction of ships weighing up to 1,10,000 DWT, as well as the repair of ships weighing up to 1,25,000 DWT. With a track record of around 175 vessel constructions and over 2,500 ship repair projects, including the remarkable achievement of building India's first Indigenous Aircraft Carrier, we stand as India's foremost and highly proficient shipbuilding and repair facility serving a diverse range of clients, encompassing commercial, defence, domestic and international sectors.

Cochin Shipyard Limited (CSL), Kochi

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

International Ship Repair Facility (ISRF), Kochi

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



Mumbai, Maharashtra

Set up CSL Mumbai Ship Repair Unit (CMSRU) at the Mumbai Port with the objective of enhancing the current ship repair capabilities in the Mumbai region, we commenced our ship repair operations back in January 2019. Since then, it has achieved significant milestones by successfully completing repairs for around 90 vessels. By actively contributing to the enhancement of ship repair services, we have become a reliable and sought-after facility for ship repairs in the Mumbai area.

CSL Mumbai Ship Repair Unit (CMSRU)

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

Kolkata, West Bengal

Established CSL Kolkata Ship Repair Unit (CKSRU) to cater to the ship repair needs of both the commercial and defence sectors on the east coast of India. Strategically located at the Shyama Prasad Mookerjee Port in Kolkata, we initiated our ship repair operations in October 2019. Since then, it has successfully executed several significant ship repair projects, solidifying our position as a reliable and proficient facility in the region. Whether serving the requirements of commercial enterprises or defence entities, we remain committed to delivering high-quality ship repair services in the Kolkata area.

CSL Kolkata Ship Repair Unit (CKSRU)

Dry docks: 172 x 23 x 8 Mtr (2 numbers)



Port Blair, Andaman and Nicobar Islands

Established within the Marine Dockyard at Port Blair, CSL Andaman & Nicobar Ship Repair Unit (CANSRU) has been set up with the primary objective of developing a comprehensive ship repair ecosystem in the Andaman and Nicobar Islands. This includes the augmentation and modernisation of existing facilities. We commenced the ship repair activities in November 2021, contributing to the growth and enhancement of ship repair services in the region. By leveraging its strategic location and commitment to modernization, we aim to establish a thriving ship repair industry at the A&N Islands, providing efficient and advanced services to meet the maritime needs of the area.

CSL Andaman & Nicobar Ship Repair Unit (CANSRU)

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



Enhancing our manufacturing capacities contd...



Howrah, West Bengal

Located on the banks of the Hooghly River in Nazirgunge, Hooghly Cochin Shipyard Limited (HCSL), a wholly owned subsidiary of CSL, have been established as a compact shipyard with a specific focus on constructing high-quality inland and coastal vessels. This completely new state-of-the-art facility, dedicated to meeting the demand for such vessels, was officially inaugurated on August 16, 2022. By leveraging this strategic location and compact design, we are well-equipped to deliver exceptional shipbuilding services for inland and coastal purposes, ensuring the construction of vessels that meet stringent quality standards.

Hooghly Cochin Shipyard Limited (HCSL)

Slipway: 136 x 40 Mtr

3 Outfitting Jetties

Udupi, Karnataka

Udupi Cochin Shipyard Limited (UCSL) acquired in September 2020 via the Insolvency and Bankruptcy Code (IBC) process, is the other wholly owned subsidiary of CSL with its main facility located in Udupi, Karnataka. The operations of this facility commenced in July 2021. With its highly sophisticated infrastructure, CSL is well-equipped to deliver superior shipbuilding services, catering to the specific requirements of smaller and medium-sized vessels both in the domestic and international markets.



Udupi Cochin Shipyard Limited (UCSL)

Slipway: 96 x 22 Mtr



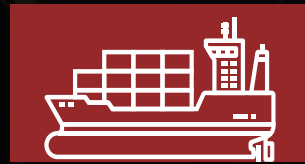
Expanding portfolio to meet diverse needs

Shipbuilding



Defence

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



Commercial

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



Offshore

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

Ship Repair



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

Marine Engineering Training



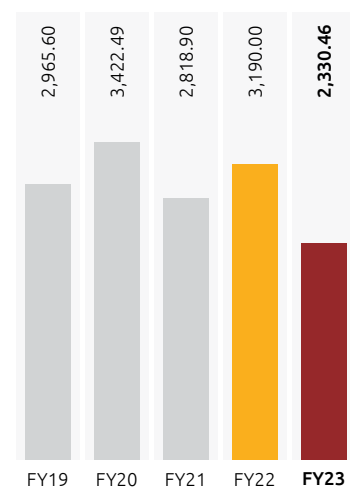
Strategic and Advanced Solutions



Financial performance

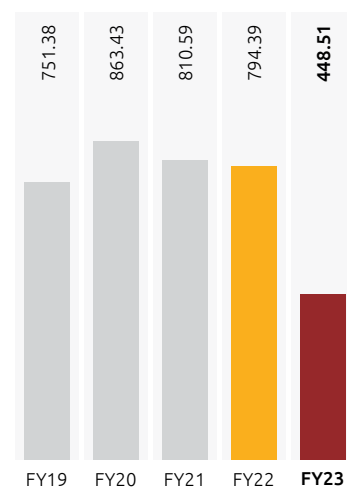
Turnover

(₹ in Crores)



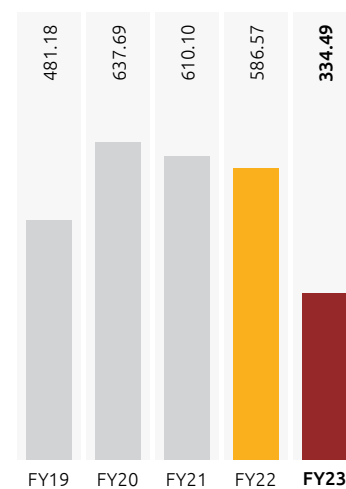
Profit Before tax

(₹ in Crores)



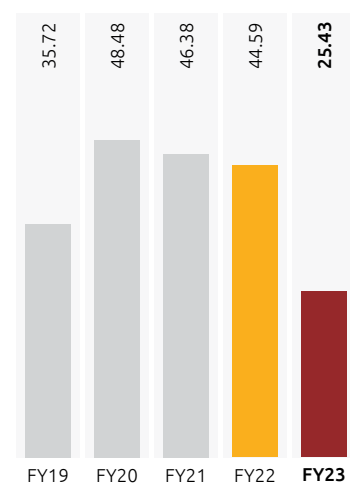
Profit After tax

(₹ in Crores)



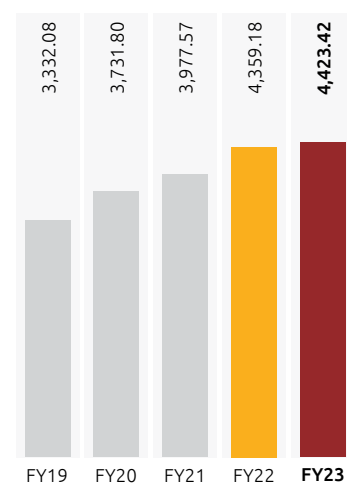
EPS

(₹)



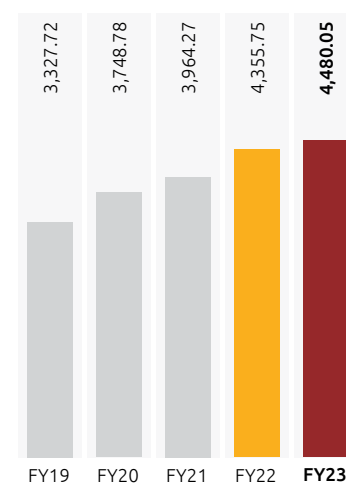
Net Worth

(₹ in Crores)



Capital Employed

(₹ in Crores)



10-year Performance review

Key Indicators	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
EPS (₹ per share)	25.43	44.59	46.38	48.48	35.72	31.03	28.39	24.07	20.75	17.15
Face Value Per Share (₹)	10	10	10	10	10	10	10	10	10	10
EBDIT/ Gross Turnover (%)	22.89	28.12	32.43	27.95	26.97	27.76	26.35	23.52	22.81	20.37
Net Profit Margin (%)	14.35	18.39	21.64	18.63	16.23	16.85	15.62	13.73	12.64	11.75
Return on Net Worth (%)	7.56	13.46	15.34	17.09	14.44	12.19	15.85	15.09	15.06	14.15
Return on Capital Employed (%)	10.80	18.81	15.39	17.01	14.46	12.13	15.59	15.65	14.82	13.86

(₹ in Crores)

Particulars	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
Turnover	2,330.46	3,190.00	2,818.90	3,422.49	2,965.60	2,355.12	2,058.87	1,993.45	1,859.51	1,652.66
Total income	2,536.95	3,456.42	3,012.76	3,669.99	3,192.89	2,544.28	2,217.50	2,107.37	1,952.97	1,728.64
Profit Before Tax (PBT)	448.51	794.39	810.59	863.43	751.38	604.86	493.40	419.65	367.56	290.96
Depreciation & write offs	51.15	54.41	53.07	48.73	34.16	37.51	38.51	37.19	38.33	26.43
Profit After Tax (PAT)	334.49	586.57	610.10	637.69	481.18	396.75	321.55	273.79	235.07	194.24
Equity Share Capital	131.54	131.54	131.54	131.54	131.54	135.94	113.28	113.28	113.28	113.28
Reserves & Surplus	4,291.88	4,227.64	3,846.03	3,600.25	3,200.54	3,119.93	1,915.30	1,701.05	1,447.79	1,239.25
Net Worth	4,423.42	4,359.18	3,977.57	3,731.80	3,332.08	3,255.87	2,028.58	1,814.33	1,561.07	1,352.53
Gross Fixed Assets	1,029.67	1,008.36	973.96	853.82	426.69	369.79	357.72	569.53	636.84	602.38
Net Fixed Assets	706.74	735.82	754.68	696.54	313.03	284.47	302.85	296.44	377.44	383.41
Number of Employees	1,883	1,756	1,727	1,710	1,744	1,781	1,829	1,671	1,786	1,751

Key Indicators – MoU with the Government of India

Key Indicators (Consolidated)	2022-23	2021-22
Value of Production (₹ in Crores)	2,365.99	3,194.47
Capex (₹ in Crores)	385.97	227.81
Exports as % of Revenue from Operations (%)	2.92	2.98
Reduction in total imports consumed over previous year (%)	19.60	-43.80
EBITDA as a percentage of Revenue (%)	17.91	25.64
Return on Net Worth (%)	7.02	13.61
Asset Turnover Ratio (%)	25.66	41.05
Trade Receivables as number of days of Revenue from Operations (No. of Days)	48.99	44.66
Expenditure on R&D/ Innovations Initiatives as % of PBT (%)	2.42	-

Chairman's message

Dear Shareholders,

It is with profound delight that I extend a warm welcome to each one of you on behalf of the Board of Directors to the 51st Annual General Meeting of your Company, Cochin Shipyard Limited (CSL). Allow me to share with you the highlights of the Company's performance and accomplishments during the fiscal year 2022-23, as well as our future endeavours.



Financial performance

The fiscal year 2022-23 presented certain financial and operational challenges for Cochin Shipyard Limited. Our results fell short of our initial expectations. Specifically, the revenue from operations for the year amounted to ₹2330.46 Crores, compared to ₹3190.00 Crores in the prior fiscal year. The profit before tax stood at ₹448.51 Crores, down from ₹794.39 Crores in the preceding year. The net profit for the year was ₹334.49 Crores, a decrease from ₹586.57 Crores in the previous year. Despite this, we achieved PAT Margins of 14%, while the Earnings Per Share (EPS) stood at ₹25.43. Moreover, we achieved an EBITDA of ₹533.40 Crores with a fairly decent EBITDA margin of 23%.

Our interactions during the conference calls on May 31, 2023, provided insight into the specific factors affecting our financial performance, and a comprehensive presentation on this matter can be found on the Company's website in the investor section. I have full confidence in CSL's resilience and anticipate a robust recovery in FY24, considering the strong order visibility and the execution of various orders in hand.

Operational performance

The Company delivered the first indigenously built Aircraft Carrier to the Indian Navy on July 28, 2022 and the vessel was commissioned by the Hon'ble Prime Minister of India Shri Narendra Modi on September 02, 2022, which is a significant milestone not only for the Company but also for the entire nation. The construction of IAC is considered as the most ambitious warship project of the country as it is unprecedented in terms of size and complexity in comparison to any ship built in India till date, setting a new benchmark in Indian shipbuilding. Other noteworthy vessel deliveries during the year include two Autonomous Electric Barges, viz., "Marit" & "Theres", for Norway based ASKO Maritime AS, one 500 Pax Vessel viz., "Nalanda" for Andaman and Nicobar

Administration, three Floating Border Out-Post (FBOPs) Vessels built for Ministry of Home Affairs and seven Hybrid Electric Catamaran Hull Vessels for Kochi Metro Rail Limited.

Orders received during the year

CSL's prowess in securing substantial shipbuilding orders remained evident during the year. Despite intense competition, we secured orders for two Commissioning Service Operation Vessels (CSOV) from Pelagic Group, Cyprus; six Next Generation Missile Vessels (NGMV) from Ministry of Defence and two Zero Emission Feeder Container Vessels, from companies based in Norway which are part of the SAMSKIP Group, headquartered in Netherlands. These achievements underscore our strengths in the Indian defence shipbuilding sector as also our credibility in the Global shipbuilding sector.

Major expansion projects

CSL is executing two large expansion projects costing ₹2,769 Crores viz., International Ship Repair Facility (ISRF) costing ₹970 Crores and new dry dock costing ₹1,799 Crores.

The new dry dock project is at an advanced stage of execution. Majority of the works viz., Ground improvement works, cofferdam works, dock wall sheet pile installation works, caisson gate unit fabrication, 3 out of 4 underground Substations, 280 Meter of dock floor (at a depth of 13m), 65% Civil Works of underground pump house (from depth of 21m), 98% RCC piling works, 40% crane track works, 50% caisson gate erection works, grand assembly area works etc. have been completed. Further, the fabrication of components of 600T gantry crane, a critical machinery for the dry dock, have been completed in South Korea. Delivery of crane components to the site is targeted by October 2023. Overall, the project is progressing well and it is expected to complete the construction by December 2023 and thereafter full commissioning of the project by mid of 2024.

The ISRF project had run into difficulties due to the financial problems faced by the turnkey contracting company, forcing us to terminate the contract. The physical progress of construction works reported till contract termination was 78%. As a result, the remaining of the job was divided into three independent tender packages. The works have been resumed with new contractors, the dredging works have since been completed and civil, mechanical and electrical works are progressing well. All the shiplift components have already been received at site and the 130m X 25m shiplift platform is under sea transit from Vietnam. We expect to complete commissioning of the ship lift and the first two workstations by December 2023, put the facility into initial stages of operation, and thereafter complete and commission the balance facilities by mid-next year.

Wholly owned subsidiaries

Hooghly Cochin Shipyard Limited:

During the financial year 2022-23 the setting up of new state-of-the-art ship building and repair facility at Nazirgunge was completed and on August 16, 2022, the Facility was dedicated to the nation by Shri Sarbananda Sonowal, the Hon'ble Minister of Ports, Shipping & Waterways. The Facility has been set up in an area of 15.76 acres on the banks of river Hooghly at a cost of ₹175.20 Crores with an intention to position HCSL as a premier shipbuilding/ repair yard in the east coast of India for inland and coastal vessels. The facility stands as a testament to our commitment to excellence in shipbuilding on the east coast. HCSL bagged its first shipbuilding order for design and construction of a Multi-purpose cargo Vessel (2200T) for JAK Maritime & Logistics India Private Limited. The construction of the vessel is in progress. HCSL is also in advanced stages of completion of the caisson gate for Kolkata Port and is gearing up for construction of six Battery Electric Passenger Ferries for IWA.

Chairman's message contd...

Udupi Cochin Shipyard Limited:

The performance of Udupi Cochin Shipyard Limited (UCSL) has been excellent during the year 2022-23. UCSL bagged various key orders including two 70T Bollard Pull Tugs for Polestar Maritime Limited, Mumbai and has also achieved significant operational milestones viz., steel cutting and keel laying of two 62T Bollard Pull Tugs contracted for Ocean Sparkle Limited, steel cutting of two 70T Bollard Pull Tugs contracted for Polestar Maritime Limited etc. The Company has also completed delivery of various vessels including a couple of ship repair projects to the satisfaction of the customers. During the financial year 2022-23, UCSL reported a total income of ₹47.81 crores as against ₹10.08 crores for the previous year 2021-22. UCSL's strong operational performance resulted in reducing its loss by 33% to ₹8.67 crores as against ₹12.94 crores for the previous year 2021-22. I am also glad to note that UCSL has recently bagged an order from M/s. Wilson Group, Norway, for construction of six New Generation Diesel Electric 3800 DWT General Cargo Vessels with an option for additional eight vessels. This significant breakthrough contracts from a reputed ship owner, in the promising European shortsea vessel segment is expected to open possibilities for more such contracts and will act as a major confidence booster for UCSL.

Corporate Governance

The Company continued to comply with good corporate governance practices. The Company complies with the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and also the Guidelines on Corporate Governance issued by the Department of Public Enterprises. The Company also submits its quarterly progress reports on corporate governance within 15 days from the close of each quarter

to the Ministry of Ports, Shipping and Waterways (MoPSW) as recommended by the DPE in this regard. The Report on Corporate Governance forms part of the Directors' Report.

Upgradation to 'Schedule A' status

I am delighted to share that the Company has been upgraded from 'Schedule B' to 'Schedule A' CPSE by the Government of India. The upgradation to 'Schedule A' was notified by the MoPSW on July 31, 2023. The upgradation is a recognition of CSL's impressive financial performance, operational excellence, and its substantial contributions to national security. This upgrade highlights our dedication to maintaining the highest standards of efficiency and underscores our pivotal role in safeguarding the nation's interests. Importantly, the upgrade to 'Schedule A' will empower CSL to operate with a broader senior management bandwidth, a necessity for effectively overseeing its seven units located across the country. We take great pride in this achievement, which serves as a testament to the hard work of our entire team and the unwavering support of our stakeholders.

Nurturing human resources

CSL believe in fostering an empowered workforce. It encourages us to adopt people-centric policies that are geared to ensure employee welfare. We also offer various training and development programmes that empower our people to upgrade their skillsets and facilitate continuous learning.

At the heart of our people orientation strategy lies four cultural competencies – Teaming, Execution Excellence, Constraint Breaking and Continuous Learning. Our leadership development programmes, including YOCDP, SCDP for newly inducted young officers and supervisors enables us to maintain

a steady pipeline of future leaders. We also realise the value of external trainings from prestigious institutions such as Indian Institute of Management, Indian Institute of Technology, Indian Institute of Corporate Affairs, Confederation of Indian Industry, Department of Public Enterprise etc. and encourage our people to enrol in various trainings to widen their knowledge and expertise. We take pride in creating an inclusive working environment for our people, allowing people from diverse backgrounds to flourish in their professional capacities.

Industrial relations

The industrial relations atmosphere remained cordial throughout the year, and the registered trade unions demonstrated their commitment to the Company's increased productivity and sustainable growth. Employees' and their dependents' welfare and well-being were also adequately taken care of through various voluntary initiatives. A scheme named 'Sayam Prabha' benefitting our ex-employees who have retired before 2007, with a good financial gift on their 75th birthday and thereafter at their birthday every 5th year, has evoked very warm response from the society.

Embracing sustainability

Today, eco-consciousness is prerequisite for building a sustainable business. To fulfil this endeavour, we continue to undertake efforts that minimise our environmental footprint. With the ongoing construction of zero-emission vessels, we have made significant contributions to sustainable maritime environment. The Company is also making itself future ready to meet the sustainable shipbuilding demands and has also bagged various orders for building green vessels.

I am happy to inform that CSL is constructing the first fully indigenous

Zero Emission 100 pax Hydrogen Fuel Cell Passenger Catamaran Vessel in collaboration with Indian Partners. The catamaran vessel will be deployed at Varanasi after test and trial at Kochi. The project is expected to be completed by September 2023. Based on the success and experience of this Project, further scaling up at the national level is being contemplated with active advice and consultation with the MoPSW.

We have also undertaken concerted efforts to ensure energy efficiency. To accomplish this objective, we have replaced conventional high-pressure mercury vapour lights with energy-efficient LED lights at LLTT/Gantry Cranes. It has resulted in annual energy savings equivalent to 49,713 units, worth around ₹3.23 lakhs. Additionally, the use of LED lights for new projects, constructions and office buildings, along with the use of energy-efficient ceiling fans and VRF air conditioning systems, has led to annual energy savings of 1,60,606 units, valued at ₹10.44 lakhs.

We have also reduced our dependence on non-renewable energy by successfully generating 18.34 lakhs units of renewable energy in FY 2023 through the 1622 kWp solar power plant installed at our premises.

Giving back to society

We realise the importance of making a meaningful difference to lives and communities as a whole. It drives us to adopt extensive Corporate Social Responsibility (CSR) initiatives focused on enhancing the quality of life. During the year under review, we have incurred CSR spends of ₹17.25 Crores and undertaken 122 projects encompassing health and nutrition, sports, education, rural development, women empowerment, and environmental conservation. From our home state of

Kerala to regions spanning the north eastern states, our CSR initiatives contribute to a more equitable and sustainable future.

Emphasis on workplace safety

CSL maintained its Integrated Management System (IMS) under the ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System and ISO 45001:2018 Health and Safety Management System standards. These measures serve as a foundation for our steadfast commitment to safety and quality. The Company have received the Safety Award from the Factories & Boilers Department, Government of Kerala, as well as distinctions from the National Safety Council - Kerala Chapter, in recognition of our efforts for maintaining the highest standards of safety at the workplace. These accolades recognise our continuous efforts to abide by globally accredited HSE standards.

Looking ahead

As we look ahead, we remain poised to open up promising opportunities. CSL has created a good position stemming from competence, capability, capacity and confidence in the defence shipbuilding and ship repair space. The emphasis of the Government on the coastal shipping/ inland waterways space as also in developing ship repair clusters in the country, all augurs well for the Company. In the global segments, your Company with a track record of having exported about 50 Nos. high quality ships is today perceived to be a trust worthy and technologically competent partner by the industry at large. This aspect along with changes in the geopolitical order and the global requirements led by the International Maritime Organization (IMO) for shipping

to transition into a sustainable mode in a time-bound manner is providing your Company with a strategic sweet spot to tap into the 'Green Shipping' opportunities. With a strong order book, ensuing pipeline of major defence projects, enhanced interest coming in from European segment, our emerging innovative initiatives in the maritime space, various Memorandum of Understandings for ship repair, we are optimistic about our near term and long term future. Our subsidiaries are also coming on their own with confidence.

Closing remarks

I would like to extend my profound gratitude to all those who have invested their time and energy in shaping the growth trajectory of this esteemed organisation. I am also thankful to our team for their constant dedication to achieve shared goals and overcome challenges in the operating environment.

The strong commitment of the board and the constant support of the Ministry of Ports, Shipping and Waterways, Ministry of Defence, other offices of Government of India, the Governments of Kerala, West Bengal, Maharashtra, Karnataka, and the Andaman and Nicobar Administration have greatly helped us to accomplish various targets and milestones.

To our shareholders, investors, and customers, your faith in our business has been instrumental in our continued growth, and I remain sincerely grateful to you.

Thank you,

Jai Hind,
Madhu Sankunni Nair
Chairman & Managing Director
DIN: 07376798

Key milestones reached in FY 2023

2022

- **April 30**
CSL unveiled the Start-up engagement framework 'USHUS – Nurturing Aspirations' and committed to invest an initial corpus of ₹50 Crores in Start-up companies engaged in the maritime sector.
- **May 07**
Keel laying of two Hybrid Electric Catamaran Hull Vessels for Kochi Water Metro.
- **June 24**
Delivered two Autonomous Zero Emission Electric Vessels "Marit" & "Theres" to ASKO Maritime AS, Norway.
- **June 30**
Delivered the Passenger cum 150 MT Cargo Vessel 'Nalanda' to Andaman and Nicobar Administration.
- **July 12**
Delivered the second Hybrid Electric Catamaran Hull Vessel for Kochi Water Metro.
- **July 28**
Delivered the first Indigenous Aircraft Carrier (IAC) 'INS Vikrant' to the Indian Navy.
- **July 30**
Delivered the third and fourth Hybrid Electric Catamaran Hull Vessel for Kochi Water Metro.
- **August 06**
Delivered the third and final lot of three Floating Border Out-Post (FBOP) Vessels out of nine FBOPs built for Ministry of Home Affairs, Government of India.
- **August 12**
Launching of one 1200 Passenger cum 1000 MT Cargo Vessel being built for Andaman and Nicobar Administration.
- **August 16**
The new state-of-the-art ship building and repair facility of Hooghly Cochin Shipyard Limited (HCSL), the wholly owned subsidiary of CSL, at Nazirgunge was dedicated to the nation by Shri Sarbananda Sonowal, the Hon'ble Minister of Ports, Shipping & Waterways and Ayush, Government of India.
- **August 30**
Keel laying of one Anti-Submarine Warfare Shallow Water Craft (ASWSWC) and Steel Cutting of two Anti-Submarine Warfare Shallow Water Crafts (ASWSWCs), being built for the Indian Navy.
- **September 02**
Commissioning of first Indigenous Aircraft Carrier (IAC) 'INS Vikrant' by Hon'ble Prime Minister of India Shri Narendra Modi at CSL premises.
- **October 15**
Delivered the fifth Hybrid Electric Catamaran Hull Vessel for Kochi Water Metro.
- **October 17**
CSL won the 'Excellence in Indigenisation Award' at the Aerospace and Defence Awards 2022.
- **November 02**
CSL bagged an international order for constructing two Commissioning Service Operation Vessels (CSOV), from a European client, with an option to build four more of such vessels.

- **November 11**
CSL signed MoUs with Inland Waterways Authority of India (IWA) for building country's first Hydrogen Fuel Cell Catamaran Passenger Vessel (100 PAX) for Varanasi, Uttar Pradesh and for design, construction and supply of Hybrid Electric Catamaran Passenger Vessels (50 PAX each) for deployment on NW-1 in Uttar Pradesh and on NW-2 in Guwahati, Assam.
- **December 16**
Steel Cutting of one Anti-Submarine Warfare Shallow Water Craft (ASWSWC), being built for the Indian Navy.
- **December 30**
Delivered the sixth and seventh Hybrid Electric Catamaran Hull Vessel for Kochi Water Metro.
- **December 31**
CSL won the Best Productivity Performance Award among Industry Category-I in the KSPC-FACT MKK Nayar Memorial Productivity Award 2020-21.

2023

- **February 01**
Steel Cutting of two HS Eco Freighter 7000 DWT Vessels being built for HS Service GMBH & Co. KG, Germany.
- **February 21**
Keel Laying of two Anti-Submarine Warfare Shallow Water Crafts (ASWSWCs), being built for the Indian Navy.
- **March 04**
CSL won safety awards of Kerala Chapter of National Safety Council, for 'best performing safety committee', and second prize for 'tabletop mock drill competition'; and the Kerala State Industrial Safety Award 2022 for 'outstanding performance in industrial safety & health from Department of Factories & Boilers, Government of Kerala.
- **March 17**
CSL bagged an international order from the companies under Samskip Group for the design and construction of two Zero Emission Feeder Container Vessels with an option for two more such vessels.
- **March 24**
CSL commissioned 600KVA, 750 Amps state-of-the-art energy efficient static frequency converter.
- **March 27**
Steel Cutting of six HS Eco Freighter 7000 DWT Vessels being built for HS Service GMBH & Co. KG, Germany.
- **March 30**
Commenced fabrication of India's first Hydrogen Fuel Cell Electric Ferry Vessel.
Delivered the eighth Hybrid Electric Catamaran Hull Vessel for Kochi Water Metro.
CSL signed contract with Ministry of Defence for construction of six Next Generation Missile Vessels (NGMV) for the Indian Navy.

Key expansion projects



New Dry Dock project

We are almost towards the last stage of constructing one of the largest dry dock in India measuring 310 x 75/60 x 13 Mtr with a 600T Gantry crane, capable of servicing LNG vessels, Aircraft carriers, Jack-up rigs, Drill ships, large tankers and merchant vessels. The facility's design life is an impressive 100 years, ensuring its longevity and value for generations to come. We are aiming to inaugurate the facility by December 2023, marking a

significant milestone in India's maritime infrastructure development.

The construction activities commenced in June 2018 and the physical progress achieved as on March 31, 2023 is 75%. Ground improvement works, cofferdam installation works, dock wall sheet pile installation works, 2 out of 4 underground Substations, 150 Mtr of dock floor, RCC bottom raft of underground pump house, 98% RCC piling works, caisson gate unit fabrication etc. completed. Further,

major civil works like balance dock floor construction, balance pump house construction (from depth of 21 Mtr) & other civil works like construction of 2 remaining Substations, crane track works, grand assembly area works, caisson gate works etc. are progressing.

75%

Physical progress of the project (as on March 31, 2023)



International Ship Repair Facility (ISRF) project

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

The construction works of ISRF project, which commenced in November 2017, was progressing till February 04, 2022.

However, due to the financial difficulties of the construction contractor appointed for ISRF project, construction activities were severely affected and eventually CSL terminated the contract on February 04, 2022. CSL thereafter had split the balance works into three separate tender packages. As per present schedule, shiplift system is targeted for commissioning by December 2023 followed by full project completion in June 2024.

78%

Physical progress of the project (as on March 31, 2023)

Taking giant strides towards a greener future

In a world threatened by climate change, need of the hour is to reconcile environmental protection and economic growth. At CSL, we focus on minimising our environmental footprint and conserving the natural resources through well-calibrated initiatives. We undertake several measures to mitigate environmental risks in the ecosystem we operate.

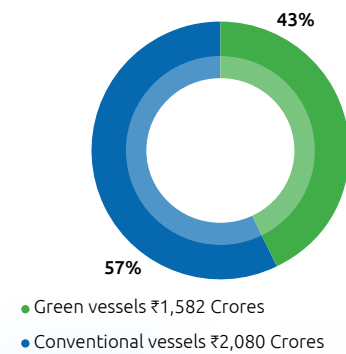
World's first zero emission feeder container vessel

In FY 2023, we secured a prestigious contract to construct two cutting-edge feeder container vessels that operate with zero emissions. These state-of-the-art ships will be powered by fuel cells, utilising green hydrogen as their energy source. With a capacity to carry 365 units of 45-foot long high-cube containers, these vessels are strategically tailored to meet the demands of the environmentally conscious European

Market, where sustainable transportation solutions are in high demand.

The project is set to foster exceptional stakeholder cooperation, establishing itself as a prime example of best-in-class collaboration. As Europe steadily transitions into fully green regimes, being among the early pioneers in this space allows us to seize the advantage and fully capitalise on the opportunities in this forward-thinking industry.

Green Compliment in Commercial Order book



HS Eco Freighter 7000 DWT Multi-Purpose Vessels

In FY 2023, we secured a significant contract to construct 8 HS Eco Freighter 7000 DWT Multi-Purpose Vessels for Germany, all powered by electric propulsion. These vessels play a vital role in the logistics network, connecting North Sea ports to the Southern Mediterranean ports.

Commissioning Service Operation Vessels

We secured a major international order for constructing Commissioning Service Operation Vessels (CSOVs) for offshore wind farms. This project perfectly aligns with India's vision of 'Make in India, Make for the World,' showcasing our country's growing prominence in sustainable energy solutions.



Taking giant strides towards a greener future contd...

ASKO project

We have successfully completed and delivered two cutting-edge autonomous electric barges. These remarkable vessels are integral to the ASKO project, which represents an initiative to achieve emission-free transportation of goods

across the Oslo fjords. The Norwegian government has generously supported this ambitious project as part of its green shipping programme.

Our team at CSL has played a key role in meticulously constructing these vessels, reinforcing our Shipyard's

position as a premier facility for high-tech vessel construction and sustainable solutions. This achievement signifies our commitment to advancing the maritime industry and promoting eco-friendly transportation alternatives.



New generation diesel electric general cargo vessels

We secured a prestigious international contract for the design and construction of six new generation diesel electric 3800 DWT general cargo vessels. This project presents an exciting opportunity

for us to gain extensive knowledge and expertise in constructing mini bulk carriers and diesel electric propulsion.

These contracted vessels are a significant milestone for us as they mark the largest and first of their kind ever to be constructed in UCSL, our wholly owned

subsidiary. Complying with the latest emission regulations, they represent a major advancement in the industry. As the global trend shifts towards 'Green' regimes with a focus on fully electric solutions, we are well-positioned to capitalise on the increasing demand for diesel electric propulsion.



Nurturing potential, driving performance



At CSL, we think that a diverse, competent and agile workforce is our most significant asset and is essential to achieving our goals. It is our dedicated team that has been propelling us towards achieving targets and providing us with a competitive advantage. Our robust people practices are designed to promote a culture of collaboration, accountability and high performance along with our focus on continuous learning enables us to attract and retain talent and nurture future leaders.

We understand the importance of nurturing our workforce to ensure their growth and success. Thus, our focus lies in the effective management and development of our HR, encompassing recruitment, training and development, performance appraisal and rewards. We take steps to maintain a positive work environment and strive to foster healthy employer-employee relations. The cornerstone of our business continues to be our dedication to our employees' welfare.

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

HR Mission To provide a vibrant platform for all those working in the Yard to give their best and ensure all round growth both for the individual and organisation.

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



Building leadership skills

Cochin Shipyard places a strong emphasis on fostering leadership capabilities among its employees through a range of leadership accelerated programmes. These programmes provide valuable training opportunities at prestigious institutions and esteemed organisations. The primary objective of these initiatives is to nurture and enrich the leadership skills of the workforce.

We cultivate a culture of continuous learning and development through programmes like 'Igniting Minds and Mentoring'. By encouraging knowledge sharing and offering guidance, Cochin Shipyard creates an environment that supports both personal and professional growth for its employees. Through these initiatives, employees have the opportunity to expand their horizons,

acquire new skills and enhance their expertise, ultimately contributing to the overall success of the organisation.

We also collaborate with AOTS (Association for Overseas Technical Cooperation and Sustainable Partnerships) to provide specialised training opportunities in Japan, ensuring employees gain exposure to international expertise and practices.

281
Female Direct Work Force

62
Differently abled direct workforce

5,500
Sub-contract workforce

3,121
Direct workforce

Promoting sustainability



CSL is actively committed to environmental conservation. We leverage innovative technologies to shrink our carbon footprint. Our diverse energy sources and Energy Policy, backed by data-driven insights, drive energy efficiency and waste reduction, making us environmentally responsible.

Action towards Energy conservation

Lighting systems of various cranes used conventional high-pressure mercury vapour (HPMV) lights. These lamps were power intensive and required frequent maintenance. In order to provide better lighting and to improve the productivity, HPMV lamps were replaced with energy efficient LED lights at various LLTT/ Gantry Cranes.

49,713 units

Annual energy savings equivalent to ₹3.23 lakhs

CSL adopted a policy for installing maximum number of LED lights instead of conventional light fittings in new projects/ constructions and office buildings. We also installed VRF air conditioning systems at office buildings, which are considered to be more energy efficient compared to split-type systems. Furthermore, all new ceiling fans installed are more energy efficient BLDC fans.

1,60,606 units

Annual energy savings equivalent to ₹10.44 lakhs



We have also taken major initiative in the field of renewable energy by installing solar panels on the rooftop of various buildings inside and outside CSL premises. As of March 31, 2023, solar power plant of capacity 1622 kWp has been commissioned in CSL.

18.34 lakhs

Units generated FY 2023

35.52 M KWh

Total energy consumption

2.17 M KWh

Renewable energy

33.35 M KWh

Non-renewable energy



Promoting sustainability contd...

During the financial year 2022-23, CSL commissioned 600KVA, 750 Amps state-of-the-art energy efficient static frequency converter. With this addition, CSL can now provide pure sine wave power to all its docks and quays. This along with CSL's 1.6MWp PV solar power enables CSL to supply clean energy to 60 Hz category ships.

We promote the movement of our guests to different sites within the Yard in electric carts, which is an environmentally friendly transport system.

We arranged a week-long event to mark Energy Conservation Day 2022, observed annually on

December 14th. The focus of the program was raising awareness on "Energy Optimization – the Need of the Hour".

As a component of our energy preservation endeavours, we undertake energy audits for all our high-tension (HT) and extra-high-tension (EHT) installations every three years. This practice aims to enhance the energy efficiency of these systems.

Through ongoing surveillance and enhancement efforts, we ensure the power factor at the receiving end remains close to unity. This is achieved by employing HT/LT capacitor banks at different

substations. Notably, CSL receives an annual power factor incentive of around ₹35 Lakhs from KSEB Ltd., which is granted solely when the power factor is upheld above 0.95.

To enhance energy conservation efforts at CSL, an Energy Cell has been established. Sub-team members meet bi-monthly to propose energy-saving measures in their respective areas. The core team meets quarterly to review and finalize these recommendations. Sub-teams identify energy wastage areas, devise reduction plans and promote energy-saving habits among colleagues.

To encourage the adoption of eco-friendly practices, CSL has introduced electric vehicle charging stations strategically positioned at various parts of its premises. These charging stations are designed to accommodate electric two-wheelers and can concurrently charge up to three vehicles. Operating on clean energy, these

stations are powered by a collective 20 kWp grid-connected solar power facility.

This initiative has led to a notable reduction in carbon emissions as more employees have transitioned to electric vehicles. As an added incentive, employees who own electric two-wheelers can take advantage of these charging facilities at no cost.

Moreover, the availability of these charging stations can be conveniently checked by users through dedicated mobile applications. This user-friendly feature ensures that those utilising electric vehicles can effortlessly access and utilise the charging infrastructure.



Caring for the community



Our foremost commitment lies in fostering the comprehensive well-being of society through our dedicated Corporate Social Responsibility (CSR) initiatives. We firmly believe that it is our responsibility to conduct business while promoting shared and inclusive growth, leading to prosperity by enhancing the quality of life for both society and the environment.

By actively engaging with communities, investing in education, healthcare and sustainable practices, we aim to contribute towards a more equitable and sustainable future for all.

FY 2022-23

₹17.25 Crores
Total CSR spent

122
Projects undertaken

Health & Nutrition
Theme for the year 2022-23



'Pathways to Empowerment' Shakti – Women Empowerment Centre at Jaipur, Rajasthan



'Beyond Scavenging' Pioneering a Path to Dignity and Progress - Robotic technology for manhole cleaning



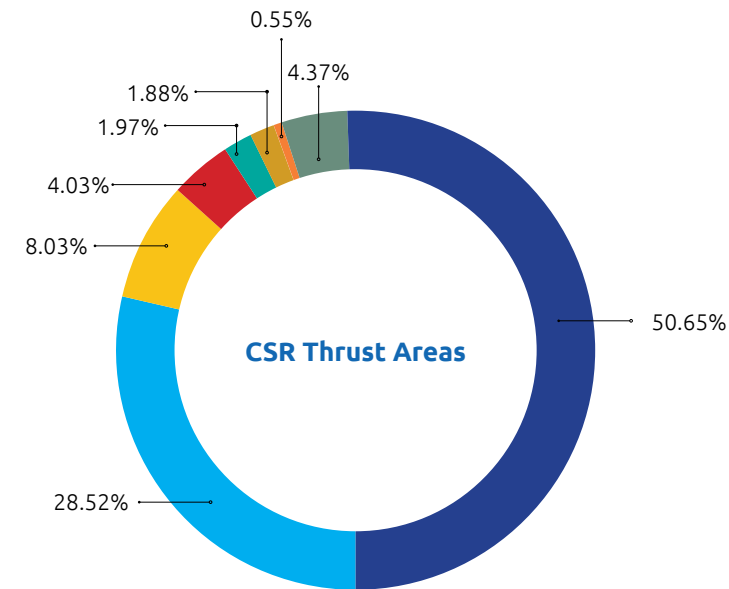
'Towards a Healthier Tomorrow' Open Air Gym at 10 Locations in Ernakulam



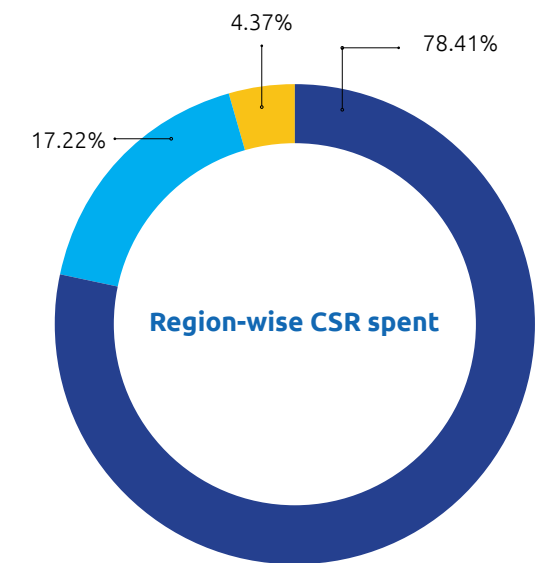
'Hydration Hub'- Drinking Water Facility at Vocational Training Centre for the Differently Abled



'Goal by Goal' Endeavour for Tribal Football Excellence



- Health & Nutrition
- Education
- Sports
- Indirect Expense
- Environment
- Culture
- Empowerment
- Rural Development



- Kerala
- Pan India
- Indirect Expense

CSL under its CSR initiatives has successfully contributed not only in the state of Kerala but also other parts of the country including North Eastern States.

Board of Directors

Creating value through good governance

Our corporate governance framework is aligned to the culture of the Company and ensures sound management and responsible decision making. We have established effective governance policies, procedures and guidelines for all aspects of our operations, from financial management to employee relations. It is critical for us to maintain accountability, transparency and ethical behaviour in our business. By upholding high standards of governance, we move beyond compliance to create holistic value for all our stakeholders.



1
Shri Madhu Sankunny Nair
Chairman & Managing Director



2
Shri Bejoy Bhasker
Director (Technical)



3
Shri Jose V J
Director (Finance) & Chief Financial Officer



4
Shri Sreejith K Narayanan
Director (Operations)



5
Shri Rajesh Kumar Sinha IAS
Part-time official (Nominee) Director



6
Shri Biju Prabhakar IAS
Part-time official (Nominee) Director



7
Smt. Amrapali Prashant Salve
Non-official (Independent) Director



8
Shri Nahar Singh Maheshwari
Non-official (Independent) Director



9
Shri Ashok Sharma
Non-official (Independent) Director



10
Shri Prithviraj Harichandan
Non-official (Independent) Director



11
Shri Venkatesan M
Non-official (Independent) Director



12
Shri Abhijit Biswas
Non-official (Independent) Director

1

Shri Madhu Sankunny Nair
Chairman & Managing Director

Shri Madhu Sankunny Nair assumed charge as the Chairman & Managing Director of the Company on January 01, 2016. He holds a degree of Bachelor of Technology (Naval Architecture and Ship Building) from Cochin University of Science & Technology in first class and Masters in Engineering (Naval Architecture and Ocean Engineering) from Osaka University, Japan. He 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 has more than 35 years of professional experience with the Company since joining as Executive Trainee in June 1988 in the entire gamut of Shipyard management. He was the driving force behind the Company's successful collaborations with international technology partners and bagging of significant international orders. During his tenure, CSL became a listed company after a successful Initial Public Offer and was also upgraded to a 'Schedule A' CPSE, the highest categorisation a CPSE can attain. Under his leadership, CSL has significantly transformed from a single unit company to a multi-unit company with seven units – main yard active in shipbuilding and ship repair, four ship repair units and two subsidiaries, spread across South, West & East coast of India. He is a strong believer in power of people and the "people first policy" conceived by him is aimed at steering CSL into a knowledge organization. He is the Fellow of The Royal Institution of Naval Architects, UK (RINA) and Fellow of Institution of

Naval Architects, India and is presently serving as the President of Indo Japan Chamber of Commerce Kerala (INJACK). As a recognition for his valuable contributions, he has been bestowed with several accolades; CUSAT Distinguished Alumni Award 2022, Samudra Manthan Prof K R Bhandarkar Award 2022, Rotary Icon 2023 Award, Pride of KMA Award, to name a few. He is also the Chairman of Hooghly Cochin Shipyard Limited and Udupi Cochin Shipyard Limited, the wholly owned subsidiaries of CSL.

2

Shri Bejoy Bhasker
Director (Technical)

Shri Bejoy Bhasker assumed charge as the Director (Technical) of the Company on April 05, 2018. He holds a degree of Bachelor of Technology (Mechanical) from the University of Kerala with First Rank and Gold Medal. He also holds a degree of Master of Technology (Mechanical) from the Indian Institute of Technology, Madras. He has completed Advanced Diploma in Management from Indira Gandhi National Open University. He joined the Company on June 29, 1988 as an executive trainee. He was awarded the "Manager of the Year" award in 2014 by Kerala Management Association. He has more than 35 years of work experience with the Company wherein he was involved in Ship Design, Ship Building, Outfit and Ship Repair divisions of the Company. He is also a Director in Hooghly Cochin Shipyard Limited and Udupi Cochin Shipyard Limited, the wholly owned subsidiaries of CSL.

3

Shri Jose V J
Director (Finance) & Chief Financial Officer

Shri Jose V J assumed charge as Director (Finance) and Chief Financial Officer of the Company from August 2019. He is a member of the Institute of Cost Accountants of India and also holds a degree in Law from Government Law College, Ernakulam. He has approximately 32 years of work experience across diverse field viz., financial management, strategic planning, risk management, forex management, budgeting and cost control. He is also heading the Information Systems Department of the Company. He is also a Director in Hooghly Cochin Shipyard Limited and Udupi Cochin Shipyard Limited, the wholly owned subsidiaries of CSL.

4

Shri Sreejith K Narayanan
Director (Operations)

Shri Sreejith K Narayanan assumed charge as the Director (Operations) of the Company on July 21, 2022. 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 joined the Company on June 16, 1988 as an executive trainee and he has more than 35 years of work experience spanning across Ship Building, Ship Design and Ship Repair. He is also a Director in Hooghly Cochin Shipyard Limited and Udupi Cochin Shipyard Limited, the wholly owned subsidiaries of CSL.

Board of Directors contd...

5

Shri Rajesh Kumar Sinha IAS
Part-time official (Nominee) Director

Shri Rajesh Kumar Sinha IAS is a Part-time official (Nominee) Director of the Company representing Ministry of Ports, Shipping and Waterways, Government of India from November 21, 2022. He holds a Post Graduate Degree in Political Science. He is a 1994-batch IAS officer of Kerala Cadre and is presently serving as Additional Secretary in Ministry of Ports, Shipping and Waterways (MoPSW), Government of India looking after the portfolio of Shipping matters in the Ministry. He has also been assigned the additional charge of Chief Vigilance Officer of the Ministry. Prior to joining as Additional Secretary, MoPSW, he has performed as District Collector, Secretary, Finance Department & Principal Secretary in Power, Forest/Wildlife in the Government of Kerala. He has also worked in Urban Development, HRD and Energy Sector in the Government of India. He is also serving as a Director in Shipping Corporation of India Limited and an Ex-officio Member in the Board of Chennai Port Authority.

6

Shri Biju Prabhakar IAS
Part-time official (Nominee) Director

Shri Biju Prabhakar IAS is a Part-time official (Nominee) Director of the Company representing Government of Kerala from January 02, 2023. He is an IAS Officer and is presently serving as Secretary, Transport Department, Government of Kerala. He holds a Bachelor's degree in Technology (Chemical Engineering) and a Master's degree in Business Administration. He is also a Law graduate. Prior to his present posting, he has held various key positions in the Government of Kerala viz., Secretary, Local Self Government (Urban) Department, Secretary, Department of Social Justice and Women & Child Development, Secretary, Public Works Department, District Collector, Trivandrum, Commissioner of Food Safety, Director of State Lotteries, Director of Public Instruction, Executive Director of IT @ School - Victors Channel etc. He is also the Chairman & Managing Director of Kerala State Road Transport Corporation (KSRTC) and KSRTC – SWIFT Limited. Further, he is also serving as a Director in Konkan Railway Corporation Limited, Kochi Metro Rail Limited and Kochi Water Metro Limited.

7

Smt. Amrapali Prashant Salve
Non-official (Independent) Director

Smt. Amrapali Prashant Salve is a Non-official (Independent) Director of the Company from November 26, 2021. She holds a degree of Bachelor of Arts in Economics and Sociology from Mumbai University. She is currently serving as the Vice-President of Mahila Morcha, Maharashtra. She is actively engaged in social service and women empowerment by arranging training and skill development programmes. She is also working for self-help group viz., Pandit Deen Dayal Antyodaya Yojana – National Urban Livelihood Mission.

8

Shri Nahar Singh Maheshwari
Non-official (Independent) Director

Shri Nahar Singh Maheshwari is a Non-official (Independent) Director of the Company from December 01, 2021. He holds a Post Graduate degree in Law from Rajasthan University. He also holds a degree in Master of Arts in Political Science and Public Administration, both from Rajasthan University. Further, he has a diploma in Labour Law from Rajasthan University. He is a member of the Bar Council of Rajasthan and practicing as lawyer since 1989. His area of specialisation includes Legal, Management and Social Service.

9

Shri Ashok Sharma
Non-official (Independent) Director

Shri Ashok Sharma is a Non-official (Independent) Director of the Company from November 26, 2021. He holds a Post Graduate degree in Hindi, Sanskrit, Political Science and Education. He has also received Honorary Doctorate in literature (Vidhya Vachaspati) from Vikramshila Hindi Vidyapeeth (Bhagalpur, Bihar). He started his career as a lecturer and is currently serving as the Principal of RNI College, Bhagwanpur in Haridwar District. He has also been associated with journalism as writer/ editor in many newspapers like Dainik Jagran, Punjab Kesari, Amar Ujala, Badri Vishal etc. He is also associated with many social organisations like Sanskar Bharti, Sewa Bharti etc. and various teachers' organisations in order to support the causes for the benefit of society. He is actively serving as State Spokesperson of Uttarakhand Madhyamik Shikshak Sangh and is founder member of Rashtriya Shaikshik Mahasangh, Uttarakhand. He is also serving as the State Vice-President in Pradhan Mantri Jan Kalyankari Yojna Prachar Prasar Abhiyan (PMJKYPPA).

10

Shri Prithviraj Harichandan
Non-official (Independent) Director

Shri Prithviraj Harichandan is a Non-official (Independent) Director of the Company from November 22, 2021. He holds a Master of Science degree in Zoology from Utkal University, Bhubaneswar. He is also an MBA graduate in Human Resource and Finance from Amity University. Presently, he is serving as the Chairman of Mahatma Gandhi Gram Swaraj Abhiyan and National Council of Martial Tradition and Culture (NCMTC). His area of specialisation includes Management, Administration and Social Service.

11

Shri Venkatesan M
Non-official (Independent) Director

Shri Venkatesan M is a Non-official (Independent) Director of the Company from November 22, 2021. He holds a Post Graduate Degree in Arts from Ramakrishna Mission Vivekananda College, Chennai. He was the Chairman of National Commission for Safai Karmacharis (NCSK). He has also served as the State President of SC Morcha, Tamil Nadu. He is also a notable writer and has authored various books mainly focussing on the issues relating to Dalits.

12

Shri Abhijit Biswas
Non-official (Independent) Director

Shri Abhijit Biswas is a Non-official (Independent) Director of the Company from December 01, 2021. He holds a degree of Bachelor of Commerce from Calcutta University. He has around 16 years of experience as financial service consultant. He is a Social Worker and is actively involved in various socio-political issues.

Safety at work

Cochin Shipyard Limited is fully committed to maintaining high HSE standards and ensuring the safety and wellbeing of our employees, customers and stakeholders.

Integrated Management System (IMS)

ISO 9001:2015
Quality Management System

ISO 14001:2015
Environmental Management System

ISO 45001:2018
Health and Safety Management System



Awards and Recognitions

As a testament to our dedication and commitment to maintaining high HSE standards, CSL has received several HSE awards during the year 2022-23

- (i) Safety Award, Factories & Boilers Dept., Government of Kerala under very large factories above 500 workers in Engineering industry category
- (ii) Safety Awards won by Team CSL at National Safety Council - Kerala Chapter
- (a) Sreshta Suraksha Puraskar - for Outstanding Safety Performance (1st prize);
- (b) Best Safety Committee – 1st prize; and
- (c) Table top Mock Drill – 2nd prize.



Corporate Information

Board of Directors

Shri Madhu Sankunny Nair
Chairman & Managing Director

Shri Bejoy Bhasker
Director (Technical)

Shri Jose V J
Director (Finance) & Chief Financial Officer

Shri Sreejith K Narayanan
Director (Operations)

Shri Rajesh Kumar Sinha IAS
Additional Secretary
Ministry of Ports, Shipping & Waterways, Govt. of India
Part-time official (Nominee) Director

Shri Biju Prabhakar IAS
Secretary, Transport Department
Govt. of Kerala
Part-time official (Nominee) Director

Smt. Amrapali Prashant Salve
Non-official (Independent) Director

Shri Nahar Singh Maheshwari
Non-official (Independent) Director

Shri Ashok Sharma
Non-official (Independent) Director

Shri Prithiviraj Harichandan
Non-official (Independent) Director

Shri Venkatesan M
Non-official (Independent) Director

Shri Abhijit Biswas
Non-official (Independent) Director

Chief Vigilance Officer

Smt. S Uma Venkatesan IRS

Company Secretary & Compliance Officer

Shri Syamkamal N

Management Team

Shri Neelakandhan A N
Chief General Manager (Planning & Project Management)

Shri Rajesh Gopalakrishnan
Chief General Manager (Ship Repair)

Shri Harikrishnan S
Chief General Manager (Ship Building)

Shri Eldho John
General Manager (Technical & Infra Projects)

Shri Sivakumar A
General Manager (Materials)

Shri Sunil Kumar K R
General Manager (IAC & Defence Projects)

Smt. Anjana K R
General Manager (Design)

Shri Jayan K Thampi
Officer on Special Duty (CMSRU)

Shri Shiraz V P
General Manager (PM (IAC/DP) & Strategy)

Shri Sivaram Narayana Swamy
General Manager (Business Development-Ship Building)

Shri Subash A K
General Manager (HR & Training)

Shri Deepu Surendran
General Manager (C-SAS)

Shri Santhosh Philip
General Manager (Ship Repair)

Shri Shibu John
General Manager (Finance)

Shri Harikumar K
General Manager (Hull & Shops)

Registered Office

Cochin Shipyard Limited
Administrative Building
Cochin Shipyard Premises
Perumanoor, Kochi – 682 015
Kerala, India

Bankers

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

Statutory Auditors

M/s. Anand and Ponnappan
Chartered Accountants
Paramalaya-Karimpetta Road
Kochi – 682 016

Secretarial Auditors

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

Cost Auditors

M/s. BBS & Associates
Cost Accountants
62/102, 1st Floor
Nenmanasseryillom
Illom Road off Paliyam Road
Kochi – 682 016

Debenture Trustees

SBICAP Trustee Company Ltd.
4th Floor, Mistry Bhavan
122 Dinshaw Vachha Road
Churchgate, Mumbai – 400 020

Registrar & Transfer Agents

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

Directors' Report

Dear Shareholders,

- Your Directors have immense pleasure in presenting the 51st Annual Report of your Company along with the audited financial statements for the year ended March 31, 2023.

Financial Performance

- Diversified operational segments and product profile helped the Company to achieve a turnover of ₹2330.46 Crores for the year as compared to ₹3190.00 Crores in the year 2021-22. The profit before tax is ₹448.51 Crores for the year as against ₹794.39 Crores in the previous year. The net profit is ₹334.49 Crores as compared to ₹586.57 Crores for the previous year.
- The authorised share capital of the Company is ₹2,50,00,00,000/- divided into 25,00,00,000 equity shares of face value of ₹10/- each. The paid up share capital of the Company is ₹1,31,54,03,900/- divided into 13,15,40,390 equity shares of face value of ₹10/- each.

Financial Highlights

		(₹ Crores)	
Sl. No.	Particulars	2022-23	2021-22
(i)	Gross Income	2536.95	3456.42
(ii)	Profit before finance cost, depreciation, tax & exceptional items	533.40	895.28
(iii)	Finance costs	33.74	46.48
(iv)	Depreciation & write off	51.15	54.41
(v)	Profit Before Tax	448.51	794.39
(vi)	Tax Expense	114.02	207.82
(vii)	Net profit	334.49	586.57

Dividend

- As per Office Memorandum F.No.5/2/2016-Policy dated May 27, 2016 issued by Department of Investment and Public Asset Management (DIPAM), every CPSE have to pay a minimum annual dividend of 30% of PAT or 5% of the net-worth, whichever is higher. Accordingly, your Directors are pleased to recommend a final dividend of ₹3/- per share on the 13,15,40,390 fully paid equity shares of ₹10/- each.

Earlier, two interim dividends of ₹7/- each aggregating to ₹14/- per equity share had been paid to the shareholders during 2022-23. Thus, the total dividend for the year 2022-23 is ₹17/- per equity share (170%), amounting to ₹223.62 Crores. No unclaimed dividend (previous years') is due to be transferred to the Investor Education and Protection Fund (IEPF).

Dividend Distribution Policy

- As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the top 1000 listed entities shall formulate a dividend distribution policy. Accordingly, dividend distribution policy has been adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/ or retaining the profit into the business. The policy is available on the website of the Company at the link https://cochinshipyard.in/investor/investor_titles/68.

Transfer to Reserves

- No amount has been transferred to Reserves for the financial year 2022-23. As per the amendment made to the Companies (Share Capital and Debentures) Rules, 2014 notified vide Notification No. G.S.R. 574(E) by the Ministry of Corporate Affairs, the Company is not required to create Debenture Redemption Reserve in respect of the bonds issued by it. As on March 31, 2023, the Company has Reserves and Surplus amounting to ₹4291.88 Crores which reflects the inherent financial strength of the Company.

Shipbuilding

- The Company achieved a total shipbuilding income of ₹1766.45 Crores during 2022-23 as against ₹2511.48 Crores in 2021-22. During the year 2022-23, CSL delivered the first indigenously built Aircraft Carrier 'INS Vikrant' to the Indian Navy. INS Vikrant was commissioned into the services of the Indian Navy by the Hon'ble Prime Minister of India, Shri Narendra Modi on September 02, 2022 in a grand event organised in CSL, Kochi. Further, CSL delivered two nos. of Autonomous Electric Barges viz., "Marit" & "Theres", for

Norway based ASKO Maritime AS. The 67 Mtr. long vessels were delivered as Full-Electric Transport Ferries powered by 1846 kWh capacity battery. Further, CSL delivered one no. of 500 Pax vessel viz., "Nalanda" for Andaman and Nicobar Administration. CSL had also delivered the third and final lot of three Floating Border Out-Post (FBOPs) vessels out of nine FBOPs built for Ministry of Home Affairs, Government of India. Furthermore, CSL had also successfully delivered seven nos. of Hybrid Electric Catamaran Hull vessels to Kochi Metro Rail Limited (KMRL). During the financial year 2022-23, the Company delivered a total of fourteen vessels under defence as well as commercial segment.

Ship Repair

8. During the year, the Company achieved a total ship repair income of ₹564.01 Crores as compared to ₹678.52 Crores during the year 2021-22. Major Vessels repaired during the year in the main Yard at Kochi include INS Sarvekshak, INS Jamuna, INS Magar, Vishva Bandhan, Vishva Diksha, Vishva Vikas, DCI Dredge VIII, M V Lakshadweep Sea. Major vessels repaired during the year in International Ship Repair Facility (ISRF), Kochi include INS Kabra, R V Samudra Shaudhikama. Major vessels repaired during the year in CSL Mumbai Ship Repair Unit (CMSRU) include INS Aditya, M V Penna Suraksha, SCI Nalanda & OSV LJ Johnson. Major vessels repaired during the year in CSL Kolkata Ship Repair Unit (CKSRU) include DCI Dredge XXI, Switzer Foxtrot, M V Dering & M V Sarojini. Further, CSL has also carried out repair activity in CSL Andaman & Nicobar Ship Repair Unit and has attended emergency repairs to A&N Admin. (DSS) vessels. The Yard has entered into an MoU with Naval Ship Repair Yard (NSRY), Kochi for undertaking dry dock and allied repairs to Indian Naval Vessels in Southern Naval Command. The Yard has also entered into an MoU for Ship Repair Support for vessels of Union Territory of Lakshadweep (UTL) along with CoPA & LDCL.

Shipbuilding Order Book Position

9. During the year 2022-23, CSL had been successful in securing against intense competition, major shipbuilding orders viz., 2 nos. of Commissioning Service Operation Vessels (CSOV) from Pelagic Group, Cyprus, 6 nos. of Next Generation Missile Vessels (NGMV) from Ministry of Defence and 2 nos. of Zero Emission Feeder Container Vessels, being one each from NAVSHUTTLE 1 AS and NAVSHUTTLE 2 AS, Lysaker, Norway, Companies in the SAMSKIP Group, headquartered in Netherlands. The order book position as on March 31, 2023 is as follows:

Vessel Type	Nos.
Anti-Submarine Warfare Shallow Water Craft for Indian Navy	08

Vessel Type	Nos.
Next Generation Missile Vessel for Indian Navy	06
HS Eco Freighter 7000 DWT Vessel for HS Service GMBH & Co. KG, Germany	08
Commissioning Service Operation Vessel for Pelagic Group, Cyprus	02
Zero Emission Feeder Container Vessel for SAMSKIP Group, Norway	02
Trailer Suction Hopper Dredger for Dredging Corporation of India Limited (DCI)	01
1200 Passenger cum 1000 MT Cargo Vessel for A & N Administration	02
Hybrid Electric Catamaran Passenger Vessel for Inland Waterways Authority of India (IWAI)	02
Hydrogen Fuel Cell Vessel (Pilot Project)	01
Hybrid Electric Catamaran Hull Vessel for KMRL	15

CSL Strategic & Advanced Solutions (C-SAS)

10. In order to tap new revenue generation streams beyond the current Shipbuilding & Ship Repair portfolios, a dedicated division named CSL Strategic & Advanced Solutions (C-SAS) was formed to enable the Company to venture into the arena of strategic and knowledge driven future technologies in the maritime sector. C-SAS has been actively engaged in identifying and developing sustainable and future oriented business models. Various innovative initiatives undertaken by C-SAS Division during the financial year 2022-23 are as follows:

(i) Integration Jigs with Wheeled Stools

An innovative tool was designed in-house for integration of underwater vehicle, which is combination of integration jig and wheeled stools. This tool reduces approximately 50% of crane lifts and can save approximately 87.5% integration floor space compared to presently used integration tools.

(ii) Implementation of Hydrogen fuel cell technology for maritime application

C-SAS has also carried out the gap analysis of the fuel cell stacks, balance of plants, it's control system etc. and discovered the gaps and implemented solutions for bridging those gaps to meet the class requirements.

The fuel cell along with BoP is also being marinized as per IEC standards thereby ensuring that the equipment meets the IRS class requirements. In doing so fuel cell technology which will be delivered will be a totally marine compliant solution.

A Design FMEA was also performed by C-SAS team together with Fuel cell partner to identify the potential failures and take corrective/ preventive measures to identify and mitigate any such hazardous scenarios not only at the local level (component level) but also at the global level (ship level). This methodology also covers fuel cell control system, power management, propulsion control and vessel automation system.

(iii) Fuel cell technology in marine segment

A white paper was published to determine the appropriate Fuel cell technology applicable in marine segment using Analytical Hierarchical Process (AHP). AHP is a method for organizing and analysing complex decisions using mathematical tools for arriving at the best solution from among multiple available options. The same was ratified by industry experts.

(iv) Failure Mode and Effects Analysis (FMEA) of underwater vehicle

C-SAS conducted a detailed system level FMEA on all the subsystems for the underwater vehicle from the productisation perspective. Through a comprehensive analysis of all subsystems, our study has revealed probable system failures and gaps in the technological development of underwater vehicle.

Expansion Projects

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

(i) International Ship Repair Facility (ISRF) at Cochin Port Premises

CSL continued to operate the dry-dock & existing facilities in the leased area (first phase) at Cochin Port premises. CSL completed repairs of six ships during the year 2022-23. The construction works of ISRF project, which commenced on November 17, 2017, was progressing till February 04, 2022. However, the construction contractor appointed for ISRF project, Simplex Infrastructures Limited, Kolkata had been facing severe financial crisis due to which construction activities at the project site was severely affected and eventually CSL had to terminate the contract on February 04, 2022. Physical progress of construction works reported till the termination of contract was 78%. CSL thereafter had split the balance works into separate three tender packages viz., Dredging works, Balance Civil, Mechanical & Electrical (CME) works and Floating gate works. Rock & Reef Dredging Private

Limited, Navi Mumbai was appointed as the dredging contractor on October 18, 2022. Physical progress of dredging works as on March 31, 2023 is 52%. RDS Project Limited, Kochi was appointed as the contractor for balance CME works on February 08, 2023 and ISRF project site handed over on March 10, 2023. As per present schedule, shiplift system is targeted for commissioning by December 2023 followed by full project completion in June 2024.

Further, ten globally renowned firms in the maritime industry have already partnered with CSL for setting up their units in the Maritime Park in first phase. CSL expects to position Kochi as a major ship repair hub with major operations in the present ship repair dock coupled with increased capacities that would be available when the ISRF is commissioned.

(ii) New Dry Dock Project

The New Dry Dock measuring 310 x 75/60 x 13m with 600T gantry crane will be located at the Northern end of the existing premises of the Company. The new dock will augment the Company's shipbuilding and ship repair capacity essentially required to tap the market potential of building specialized and technologically advanced vessels such as LNG Carriers, Aircraft Carriers of higher capacity, jack up rigs, drill ships, large dredgers and repairing of offshore platforms and larger vessels. Construction activities commenced in June 2018 and the physical progress achieved as on March 31, 2023 is 75%. The project has overcome the difficulties created by the COVID-19 pandemic and is presently progressing well. Ground improvement works, cofferdam installation works, dock wall sheet pile installation works, 2 out of 4 underground Substations, 150 m of dock floor, RCC bottom raft of underground pump house, 98% RCC piling works, caisson gate unit fabrication etc. completed. Further, major civil works like balance dock floor construction, balance pump house construction (from depth of 21m) & other civil works like construction of 2 remaining Substations, crane track works, grand assembly area works, caisson gate works etc. are progressing.

(iii) CSL Mumbai Ship Repair Unit (CMSRU)

CMSRU entered into an Agreement with Mumbai Port Authority on October 20, 2018 to upgrade, operate and manage ship repair facility at Hughes Dry Dock and Berth nos. 5, 6, 7 and 8 of Indra Dock of Mumbai Port. Post operationalization, CSL has successfully undertaken repairs of around 88 vessels.

During the financial year 2022-23, CMSRU has undertaken dry dock and afloat repairs of 17 ships with major projects being undertaken for the defence clients notably INS Aditya of the Indian Navy, ICGS Samudra Paheredar of the Indian Coast Guard and other commercial clients mainly MV Penna Suraksha of Penna Shipping Private Limited, SCI Nalanda, SCI Ahimsa of Shipping Corporation of India, MSV HAL Anand, MV Goodman of M/s. HAL Offshore, MP Work boat 1 of Pallonji group, OSV TAG 13 of Hogger Offshore, Great Ship Roopa of M/s. Greatship India etc. The Yard is also undertaking repairs of the Storm Gate of Mumbai Port Authority.

(iv) CSL Kolkata Ship Repair Unit (CKSRU)

CKSRU, initiated as a joint venture between CSL and Syama Prasad Mookerjee Port Authority (SMPA), Kolkata, aimed to revive the idling dry dock facilities at Netaji Subhas Dock and exploit the ship repair potential in the region. By combining the existing infrastructure of SMPA with the professional expertise of CSL in the field of ship repair in India, CKSRU was established on a profit-sharing model to ensure ownership from both organisations. Since the commencement of commercial ship repair operation in October 2019, eighteen refit projects have been successfully completed.

During FY 2022-23, CKSRU completed dry dock repairs of 8 vessels, including the refit of MV Sentinel, a passenger vessel from A&N Administration, Svitzer Foxtrot from repeat customer Svitzer Asia Pvt. Ltd., part of Maersk group, Rani Siromani from Haldia Ports and 4 dredgers viz., DCI Dredge XV, DCI Dredge XXI, Darya Manthan owned by Adani group and emergency repair of DCI Dredge XVII. Repair of the NSD No. 1 Box Caisson from Syama Prasad Mookerjee Port, Kolkata is in progress. Firm stemming order for the dry dock refit of Santi Sagar 24, dredger owned by Adani group has been received and the vessel is scheduled to be docked at CKSRU in the beginning of April 2024, followed by two more dredgers from DCI.

Buoyed by these excellent results and in order to sustain the momentum thus developed, CSL has gone ahead with more Capex investment at CKSRU than initially envisaged. Construction of new Caisson Gate intended to be used as intermediate Box Caisson at NSDD is in progress and the same will be ready by around August 2023 bringing in added operational flexibility. Installation of new fire ring main system and a tower crane are in progress.

CSL hopes to make CKSRU India's leading ship repair destination on the East Coast, rejuvenating the centuries old maritime heritage of Kolkata.

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

Cochin Shipyard has already started ship repair operations at Andaman and Nicobar Islands further to the agreement executed with A&N Administration. Under the ambit of this Agreement, CSL shall carryout all types of repair activities for the vessels owned by DSS. CSL has been successful in mobilizing professionally qualified and experienced manpower dedicatedly for operations at the project site and deploying essential infrastructure required for undertaking ship repair operations at Port Blair.

Ship repair projects are taking momentum at CANSRU. During the FY 2022-23 CANSRU has successfully completed 60 emergency repairs. In addition to this, CANSRU executed the dry dock repairs of two vessels viz., MV Bharat Seema & MV Rajhans and also completed 8 routine repairs of DSS vessels including foreshore vessels viz., MV Jolly Buoy, MV Rani Changa, MV Strait Island, MV Kamorta & MV Long Island.

Various capex procurements have also been undertaken to develop essential ship repair facilities and to improve ship repair ecosystem at CANSRU. CSL is setting up a well-equipped Safety cum Skill Development Centre at Marine Dockyard to provide safety & skill development training to various stakeholders associated with CANSRU & Marine Dockyard.

Subsidiary Companies

(i) Hooghly Cochin Shipyard Limited (HCSL)

Hooghly Cochin Shipyard Limited (HCSL) was initially set up as a joint venture between CSL and Hooghly Dock & Port Engineers Limited (HDPEL) on October 23, 2017. Pursuant to the approval of the Union Cabinet, CSL acquired the shares held by HDPEL and with effect from November 01, 2019 HCSL became a wholly owned subsidiary of CSL.

During the financial year 2022-23 the setting up of new state-of-the-art ship building and repair facility at Nazirgunge was completed and on August 16, 2022, the Facility was dedicated to the nation by Shri Sarbananda Sonowal, the Hon'ble Minister of Ports, Shipping & Waterways and Ayush, Government of India. The Facility has been set up in an area of 15.76

acres on the banks of river Hooghly at a cost of ₹175.20 Crores with an intention to position itself as a premier shipbuilding/ repair yard in the east coast of India for inland and coastal vessels.

To begin with HCSL has bagged order for building 1 MPV (2200T) and has also entered into an agreement with IWAI to act as consultants for setting up a new ship repair facility at Pandu, Assam. HCSL is also fabricating the Caisson Gate for CKSRU. HCSL is actively pursuing orders in the inland and coastal vessel construction and is positively expecting orders soon.

During the year 2022-23, HCSL has reported a total income of ₹1761.33 Lakhs for the year ended March 31, 2023 as against ₹45.16 Lakhs for the previous year. The Company which was in project stage has reported a loss of ₹2033.59 Lakhs for the year ended March 31, 2023 as against ₹283.61 Lakhs for the previous year. HCSL has published its annual report for the year 2022-23 which is hosted in the website of CSL at https://cochinshipyard.in/investor/investor_titles/71. Please refer the annual report for more details.

(ii) Udupi Cochin Shipyard Limited (UCSL) [Formerly known as Tebma Shipyards Limited (TSL)]

Cochin Shipyard Limited (CSL) acquired UCSL in September 2020 through the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 consequent to which UCSL became a wholly owned subsidiary of CSL. Subsequently, the process of revamping the shipbuilding infrastructure at the various facilities of the Company were carried out and the Company commenced operations at its Hangarkatta facility in July 2021. The name at the time of takeover was Tebma Shipyards Limited and subsequently on April 22, 2022 the name of the Company was changed to Udupi Cochin Shipyard Limited.

The financial year 2022-23 has been a promising one for UCSL as the Company bagged various key orders and also delivered various vessels to the satisfaction of the customers. The major orders received by the Company include two 70T Bollard Pull Tugs, one Purse Seiner Deep Sea Fishing Boat and five Tuna Longliner Cum Gillnetter Fishing Boats under the 'Pradhan Mantri Matsya Sampada Yojana (PMMSY)'. The Company is also actively pursuing domestic as well as foreign orders and is in the advanced stages of bagging a couple of orders from Europe for building Mini General Cargo Vessels and Green Vessels. Further, the

Company also completed delivery of various vessels of which key projects include Hybrid Electric Catamaran Hull Vessels for the Kochi Water Metro Project, Tuna Longliner Cum Gillnetter Fishing Boat under 'PMMSY' etc. Further, the Company also achieved significant milestones viz., steel cutting and keel laying of two 62T Bollard Pull Tugs, successfully completing the dry-docking and repairs of SBM of Mangalore Refinery and Petrochemicals Limited (MRPL) etc.

Riding on the strong shipbuilding orders, UCSL reported a total income of ₹4780.96 Lakhs for the year ended March 31, 2023 as against ₹1008.06 Lakhs for the previous year. During FY 2022-23 the revenue from operations improved significantly to ₹3917.45 Lakhs as against ₹641.98 Lakhs for FY 2021-22. Due to the enhanced activities in FY 2022-23, the Company could narrow down its loss by 33% to ₹866.54 Lakhs as against ₹1294.13 Lakhs for FY 2021-22. UCSL has published its annual report for the year 2022-23 which is hosted in the website of CSL at https://cochinshipyard.in/investor/investor_titles/71. Please refer the annual report for more details.

Manpower Status

12. The manpower strength of the Company as on March 31, 2023 was 1883 consisting of 410 executives, 158 supervisors and 1315 workers.

Industrial Relations

- 13. CSL continued to maintain and foster cordial industrial relation atmosphere during the year. There was no loss of man hours on account of labour unrest due to reasons attributable to the Company exclusively.
- 14. The executives and non-unionised supervisors also continued to contribute their best to the Company during the year.
- 15. The joint management forums like joint councils, shop council, central safety committee, shop level safety committees, contract worker safety committee, canteen management committee, employees' contributory provident fund trust etc., continued to function effectively.
- 16. Employees and their dependents welfare and wellbeing are well taken care through various voluntary schemes like Employees Medical Assistance Scheme, Employees Pension Scheme, Shipyard Parivar Prathibha Puraskar Scheme, Employees Educational Assistance Scheme etc.

Human Resource Development

17. Cochin Shipyard Limited (CSL) gives utmost importance in empowering employees' growth and developing their knowledge, skills and capabilities to drive better business performance. Acknowledging this fact, CSL has defined continuous learning as one of its cultural competencies and is constantly engaged in upskilling the workforce.
18. In line with the above several learning and development activities were carried out during the year 2022-23 spanning across sectors covering technical as well as non-technical work force. The Company has promulgated a training scheme 'Igniting Minds' wherein the senior executives of the Company were nominated for various programmes on divergent topics like Enlightened Leadership for Responsible Business, Organizational Excellence Through Leadership, Strategic perspective on design of PPPs, From Data to Decisions by IIM Bangalore, Customer based business strategy, Mindful Leadership in the 4.0 world by IIM Kozhikode, Transformational Leadership, Innovation, Corporate Strategy & Competitive Performance, The Winning Edge: Communication Strategies for leaders by IIM Ahmedabad, Managerial Leadership & Team Effectiveness by IIM Calcutta, Interpersonal Effectiveness & Team building, Leadership Communication by IIM Indore, Business Analytics for Problem Solving & Decision Making and Managerial Effectiveness by Management Development Institute, Gurgaon etc.

AOTS (Association for Overseas Technical Cooperation and Sustainable Partnerships) Training in Japan

19. A batch of 20 employees including one Executive, two Supervisors and 17 Workmen attended a customized training in Japan during the period from November 09 to 21, 2022. The training programme was a combination of class room coaching and factory visits including Shipyards in Japan. The training programme covered areas such as Japanese work culture, work place management, social behavior, culture displayed by Japanese in public places and included visits to a Shipbuilding Company and other major industries to get a feeling of latest technology in use, safety management practices, robotics technology in action, productivity improvement practices through 5S and Kaizen.

Training at INS Shivaji

20. INS Shivaji is the Premier Technical Training Establishment of the Indian Navy located in Lonavala, Maharashtra. The Establishment is well equipped to impart state-of-the-art training in engineering and technology. A batch of 20 Executive Trainees (Mechanical) from CSL attended a

customized technical training programme at INS Shivaji from December 05 to 16, 2022.

Customized Internal Trainings

21. Orientation training for employees retiring from service of CSL was held on April 28, 2022 and January 25, 2023. The sessions were conducted by the faculty from Dattopant Thengadi National Board for Workers Education and other experts in the field of financial planning and health. The session was attended by 30 employees.
22. As part of implementing Mentor-Mentee scheme for the new batch of Executive Trainees, an MDP on Mentoring-Coaching was conducted on June 03 and 04, 2022. A total of 41 Executives who were nominated as Mentors attended the MDP. Another training program titled Mentoring: Theory into Action was also organized on January 16 and 17, 2023 subsequent to posting of Executive Trainees to various departments.
23. A First Aid training programme for CSL Employees conducted by National Safety Council, Kerala Chapter, Ernakulam was held on June 23 and 24, 2022 and October 13 and 14, 2022. A total of 50 employees attended the programme.
24. As part of the CSL Golden Jubilee Celebrations, a Soft Skills training programme for CSL women employees (including contract personnel and trainees) was organized on July 11, 12, 13 and 15, 2022. The training was conducted by Career Fit 360 Private Limited, Kochi, covering a total of 183 women employees.
25. National Welding Meet – 2022 organized by the Indian Institute of Welding, Cochin branch was held on October 14 and 15, 2022. The program was attended by 74 employees.
26. In connection with the Vigilance Awareness Week 2022, an in-house workshop on the subjects Preventive Vigilance, Certified Standing Orders, CDA Rules, Service Conditions and Common Errors was conducted on October 31, 2022, November 02 and 04, 2022. The sessions were handled by the Vigilance Officer, DGM(IA), AGM(Legal) and AGM(HR) of the Company. The workshop was attended by 47 Executives, 58 Supervisors and 51 Workmen.
27. A certification course on Competence Development and Assessment Programme on Project Management (IPMA Level D Certification) was conducted by the International Project Management Association (IPMA) from November 16 to 19 & 21, 2022. The course was attended by 14 Executives.
28. Three days in-house training on Mooring Operations was conducted by Ensign Safety Academy & Consultants Private

Limited from December 20 to 22, 2022. The training was imparted to 83 employees.

29. One day training on Cross Functional Teaming for Executives was conducted on January 09, 2023 and March 28, 2023. The training was attended by 59 Executives.
30. A training program on Safety by Defence Research & Development Laboratory (DRDL) was conducted on February 24, 2023. 84 employees attended the training.
31. The YOCDP (Young Officers Competency Development Programme) for junior-level executives and SCDP (Supervisors Competency Development Programme) for supervisors are conducted online through NOVEX e-learning platform. A total of 22 recorded sessions of YOCDP and 20 recorded sessions of SCDP were uploaded online and made available to the participants.

Educational Scholarships to Wards of Employees

32. "Shipyard Pariwar Prathibha Puraskar", an educational scholarship scheme introduced from the year 2016 aims to reward and promote the star performers among the wards of regular employees of CSL. A scholarship of ₹25,000/- per year for a maximum period of 5 years shall be bestowed in the order of highest marks scored by the wards in class XII final examination. During the year 2022-23, 9 eligible students have been granted scholarship under the said scheme.

Recognising Excellence

33. CSL has introduced the Employee Excellence Awards Scheme envisaging reward and recognition for innovative ideas and practices among the employees below the level of AGMs. The highest award under the scheme is Chairman's award with a citation and cash prize of ₹15,000/-. During the Independence Day celebrations in 2022-23, 32 employees (executives-9, supervisors-3, workmen-12, on contract personnel-8) were honored with Chairman's Commendation, which carries ₹2,000/- cash prize. The Commendation Certificates to 33 employees which could not be presented during Republic Day celebrations, 2022 on account of COVID-19 pandemic were also distributed on the same occasion.
34. During the Republic Day celebrations in 2023, 26 employees (executives-8, executive trainee-1, workmen-14, on contract personnel-3) were honored with Chairman's Commendation and ₹2,000/- cash prize.

International Yoga Day

35. Employees and their family members were encouraged to observe international day of Yoga. CSL conducted various activities such as Yoga workshop, lecture on Yoga by experts and common Yoga protocol practice, in order to promote Yoga with an aim to relieve stress, support good health habits and improve mental/ emotional health. Further, live streaming of the event on June 21, 2022 was also made available for participation by family members of the employees.

Constitution Day

36. Constitution day was celebrated in CSL with reading of Preamble to the Indian Constitution. In order to create awareness among CSL employees about the Constitution and its significance, CSL had uploaded a series of awareness building courses on NOVEX e-learning platform. A refresher session on Preamble and the basic principles of Indian Constitution was held on November 26, 2022. Additionally, a quiz programme on Indian Constitution was also arranged in connection with the celebration of Constitution day.

Marine Engineering Training Institute (METI)

37. Total of 40 Graduate Marine Engineering cadets (GMEs) had successfully completed one-year course as per guidelines of Directorate General of Shipping, Government of India. Further a total of 77 GMEs are pursuing the course.
38. 29 students of 4-year Marine Engineering from Sree Venkateswara College of Engineering (SVCE), Chennai, successfully completed 6 months afloat training from CSL Marine Engineering Training Institute (METI). Further a total of 15 students from SVCE are pursuing the course.
39. METI has conducted 13 batches (191 Students) of 3 days Basic Fire Fighting Practical Training Program during August 2022 to March 2023.
40. CSL METI had participated in programmes organized by KMSME of CUSAT, and India Marine Private Limited. METI had conducted Walkathon from High Court Junction to CIFNET, Ernakulam on March 30, 2023 as part of the 60th National Maritime Day Celebrations by MMD, Kochi. METI also conducted Republic Day parade from Doctors Enclave, Panampilly Nagar to Manorama Junction on January 26, 2023. Further, FOSMA, MASSA & International Maritime Employers Council (IMEC), UK visited METI on March 21, 2023 and approved METI for Indian Cadet Programme
41. Awards and recognitions received by METI during the financial year 2022-23 are given below:

- (a) Best Participant Award for METI on "Azadi Ka Amrit Mahotsav" Celebration by MMD, Kochi;
 - (b) Best Participant Award for METI on 59th & 60th National Maritime Day Celebrations (NMDC) by MMD, Kochi; and
 - (c) A1 Grade by LR Class on behalf of DG Shipping in CIP Audit.
42. METI started 2 batches having 35 and 53 number of students of Marine Structural Fitter Practical Training under ASAP. Further, during the financial year 2022-23, METI provided various training programs on Productivity, House Keeping & 5S, Team Building, Ship Theory and Basic Electronics for Ships. Furthermore, METI provided internship for a total number of 1055 degree students.

Apprenticeship Training

43. Training Institute had imparted apprentice training for a total of 308 ITI trainees, 62 Diploma trainees, 35 Degree trainees and 3 VHSE trainees in the year 2022-23.
44. Seventy Executive Trainees were inducted during the year 2022-23.

Samanvay portal

45. Samanvay is the common Knowledge Management Portal for all CPSEs. The website is designed & developed by ONGC, on behalf of the Department of Public Enterprises (DPE). The primary objective of the Samanvay Knowledge Management Portal is to create a platform for enabling individuals, teams & entire Public Sector Enterprises to collectively and systematically share knowledge, infrastructure, best practices, SOP etc., to learn from others' experiences. The usage of Samanvay is being closely monitored by DPE. Periodic meetings and reviews are conducted by DPE with CPSEs which are chaired by top officials of DPE and there has been continuous follow up from DPE to increase the usage of the portal. CSL has given user access for the portal to all officers and the users can share lessons learnt from their work place through the portal. CSL has shared around 125 articles including 34 lessons learnt, 91 different articles on HSE practices, CSR, HR, best practices at work place and articles on innovation through the Samanvay portal till date.

Employee Welfare Measures

46. SEAWISE: An employee counseling scheme 'Shipyard Emotional Assistance and Wellness Inclusion System for Employees (SEAWISE)' is in place in CSL with the support of

Rajagiri College of Social Sciences, Kochi as a part of caring the emotional wellness of employees and their dependents. The counseling is imparted through telephonic and face to face mode. The scheme covers all permanent employees of CSL and their dependents, contract employees, trainees and CISF personnel in CSL unit.

47. Modified CSL Medical Assistance Scheme: CSL has modified the medical assistance scheme for employees by empanelling 32 hospitals (Super-speciality/ Multi-speciality/ Speciality and other-speciality hospitals) in Ernakulam District for the treatment of CSL employees and their eligible dependent family members. The expenses towards the inpatient/ day care treatment availed at these 32 empanelled hospitals shall be settled directly by CSL to the hospital. Medical ID Cards with details of employees and dependents has been issued to all employees for the purpose of identification at empanelled hospitals. In the case of hospitals outside Ernakulam district, the admissible treatment expenses shall be reimbursed to the employees.
48. CSL Rudder – Actionable Insights, Informed Decisions: As a part of the new digital transformation initiatives, a new mobile application has been developed and launched on April 01, 2022. The application is offering a bunch of new facilities to CSL users. The application can be used by both internal users like all permanent staff including officers, supervisors and workmen and external users like suppliers, subcontractors, retired employees etc. Employee profile, attendance details, salary slips, leave details, medical claims status, dependents information, loan details, PF data, capture reporting time, vendor registration details, invoice status, payment details, TDS certificates etc., are some of the features included in Rudder application.
49. Infertility treatment scheme was launched in the year 2020 for providing reimbursement of medical expenses incurred for infertility treatment for all permanent employees. An amount not exceeding ₹1,00,000/- per cycle or the actual cost whichever is lower is permitted for reimbursement and the same will be allowed upto maximum of three fresh cycles with prior approval. Special Leave for maximum 10 days in a year and maximum of 20 days are being granted during the service of an employee who undergo procedures as part of infertility treatment. Total 20 employees were granted permission to avail the benefits under this scheme as on March 2023.
50. All employees (permanent & on contract employees) and trainees who had undergone treatment for being COVID positive and who were under quarantine were granted special leave.

51. National Pension System (NPS) was introduced in CSL in order to facilitate contributory pension scheme for all permanent employees. CSL is contributing 10% of the wages (Basic + DA) to the individual account of the employees, as employer contribution from April 2021 onwards. The scheme provides attractive income tax benefits to the employees and also ensures a hassle-free life post retirement.
52. CSL introduced paternity leave in the year 2019 to male employees of the Company including for valid adoption of a child below the age of one year.

Encouraging Thought Provoking Ideas

53. 'Nethruthwa Samvridhhi Yojana' – Leadership Acceleration Programme (LEAP) was launched in the year 2016 to encourage and motivate executives in the grades E1 to E4 for pursuing higher studies in premier institutes both in India and abroad. The core benefit under the scheme is not only a grant of study leave for two years, but reimbursement of tuition fees, in installments after they come back and join for duty. A maximum of three applicants are considered on a yearly basis under LEAP scheme.
54. CSL launched special financial assistance scheme applicable to SC/ ST apprentice trainees in 2018 to provide monthly financial assistance of ₹1,500/- for meeting their expenses towards rental accommodation in Kochi. The monthly financial support is extended to a maximum of 20 trainees during the period of apprenticeship training, subject to periodical review by CSL.
55. Mentor-Mentee scheme launched in the year 2016 continued this year also for ensuring personalized special attention by a senior executive. It is extended to all new executives/ executive trainees joining CSL. This collaboration gives junior executives, who are freshers, a feeling of engagement, belongingness and significant improvement in the inter and intra personal relationship in the organisation which lead to better retention.
56. CSL Star Board – a mobile application for executives was introduced in 2017 for the purpose of knowledge sharing. The objective of Star Board is to enable the executives to share their technical knowledge, latest technical information and to provide a platform for innovative minds on matters related to their profession/ work. Star Board will promote knowledge sharing culture in CSL, which is essential for the existence and success of any business. This platform has provisions for sharing of both explicit knowledge and tacit knowledge.

Professional Assessments

57. Through an elaborate competency mapping exercise, four cultural competencies namely teaming, execution excellence, constraint breaking and continuous learning have been identified for CSL. These cultural competencies have been incorporated in all HR sub systems like recruitment, training, performance management, career development etc.

People Capability Maturity Model (PCMM)

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

Status on Affirmative Action to Implement Presidential Directives on Reservations

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

Representation of SC/ST/OBC/EWS, Persons with Benchmark Disabilities (PwBD) and Minority Employees

61. The representation of SC, ST, OBC, EWS, Persons with Benchmark Disabilities (PwBD) and Minority employees in various groups of posts as on March 31, 2023 is given below:

Category	Total Strength	SC	ST	OBC	EWS	PwBD	Minority
Group A	352	48	17	94	-	9	94
Group B	100	12	9	27	1	1	26
Group C	1187	156	13	575	1	32	292
Group D	244	33	5	149	-	11	70
Total	1883	249	44	845	2	53	482

Provision for Safeguard of Women

62. The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and Rules framed thereunder are strictly complied with. An Internal Complaints Committee has been constituted in accordance with the Act chaired by a senior woman executive. The Committee has not received any complaints during the financial year 2022-23.
63. CSL has a woman Welfare Officer specifically to promote women empowerment activities and to formulate and implement welfare measures according to the needs of women employees of the Company. The talents of the women workforce were showcased as part of celebration of the International Women's Day in CSL on March 08, 2023. CSL has commemorated the 9th anniversary of POSH Act on December 09, 2022 by organizing a session on POSH Act. Further, an in-house awareness session on Prevention of Sexual Harassment of Women at Workplace was conducted by AGM (Legal), CSL on July 16, 2022 and the same was attended by 21 women employees belonging to Executives and Supervisors category

Integrated Management System (IMS)

64. Cochin Shipyard maintained its Integrated Management System (IMS) under the ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System and ISO 45001:2018 Health and Safety Management System standards. It is proposed to implement quality management systems in all the ancillary units of CSL in the forthcoming years.

Facility Upgrade and Capital Expenditure

65. The total capital expenditure incurred in 2022-23 amounted to ₹385.97 Crores. This related to modernization and expansion, renewals and replacements, new dry dock, ISRF CMSRU, CKSRU, CANSRU, subsidiaries etc.

Implementation of Official Language Policy

66. In pursuance of sub rule (4) of rule 10 of the Official Language (Use for the Official Purposes of the Union) Rules, 1976, Government of India have notified, in the Gazette of India, that 80% of ministerial staff of the Company have acquired working knowledge/ proficiency in Hindi.
67. In connection with the Golden Jubilee celebrations and World Hindi Day and also as part of its commitment towards the progress of Official Language Hindi, Cochin Shipyard organized a full day Official Language Seminar on January 11, 2023 at CSL, Kochi involving all participating Banks, Central Government offices and Public Sector Undertakings of the Town Official Language Implementation Committees of Ernakulam District. The seminar was mainly organized in two sessions; one was on "Official Language Hindi – Standardization, Practical aspects of translation" and the second part of the session was based on the topic "New Trends in Technology, in the perspective of Hindi". More than 100 participants from all the three Town Official Language Implementation Committees of Ernakulam District actively participated in the seminar.
68. As per the instructions from the Government of India, Mathrubhasha Ka Amruthotsav was conducted on February 21, 2023 with wide participation from the employees. Various competitions were held for the employees to perform in their respective mother language. The winners were identified through a ballot poll held during the program.
69. As a special step to help students to understand the importance and prominence of Official Language Hindi in offices, an internship program in Official Language Hindi has started in CSL during the month of December, 2022. So far, 2 students from CUSAT, Kalamassery and 7 students from Dakshina Bharat Hindi Prachar Sabha, Ernakulam have successfully completed the 15 days internship program in Official Language Hindi.

70. In connection with Joint Hindi Fortnight Celebrations, Kochi TOLIC organized a two-day Career Development Programme for the students of Sri Sankaracharya Sanskrit Vishwavidyalaya, Kalady. In this regard, on February 24, 2023 Smt. Lija G S, Assistant Administrative Officer (Hindi) handled a session on Official Hindi, Noting & Drafting etc. More than 50 students were benefited from this programme.
71. Various competitions in Hindi were organized in connection with Hindi fortnight celebrations 2022 for employees, trainees and employees on contract of CSL in online and offline mode. Quiz, Calligraphy, What picture says, Passage reading, Administrative Terminology, Hindi typing, Memory test, Hindi film songs (separate for Male and Female), Essay writing and Hindi poem writing was organized in this regard. Further, 14th issue of Hindi house journal, 'Sagar Ratna' was released on the valedictory function of Hindi fortnight celebrations.
72. As a special programme in connection with Hindi fortnight celebrations, patriotic song competition was organized for the students of State Government Schools in Ernakulam district and various competitions for the children and spouses of employees.
73. Training classes in Spoken Hindi commenced from June 15, 2022 onwards for two months for the Employees of CSL. A total of 35 employees actively participated in the training sessions.
74. For the propagation of Official Language Hindi among students, an Official Language awareness programme was organized for the Post Graduate students of Hindi Department in CUSAT. This program was beneficial for the 20 students who actively participated in this program.
75. An Official Language Management programme was organized for the Senior Managers and Managers in order to create an awareness regarding the Official Language among senior level officers. The main aspects related to the role and responsibilities of Senior Officers in the field of Official Language implementation were discussed. 30 officers ensured their successful participation.
76. As a social commitment, to attract more students towards Hindi Language, CSL started to contribute Hindi books in Govt. Schools. Hindi books for an amount of ₹5,000/- were contributed to St. Mary's High School, Kandanad and VHSS, Irimpanam during the month of April, 2022.
77. Four Hindi Workshops and four Official Language Implementation Committee meetings (OLIC) were conducted during the year.

78. During the academic year 2022-23, cash incentives for children of employees for obtaining high marks in Hindi in 10th standard were awarded to 29 children. 64 employees were also awarded cash incentives for the Implementation of Hindi language.

Particulars of Employees and Related Disclosures

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

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

80. Details are placed at Annexure I. The Company's major initiative in the conservation of energy was installation of solar panels on the rooftop of various buildings of CSL. The programme commenced in the year 2013-14. As of March 31, 2023, solar power plant having capacity of 1622 kWp has been commissioned in CSL. Further, during the financial year 2022-23, CSL commissioned 600KVA, 750 Amps state-of-the-art energy efficient static frequency converter. With this addition, CSL can now provide pure sine wave power to all its docks and quays. This along with CSL's 1.6MWp PV solar power enables CSL to supply clean energy to 60 Hz category ships.

Risk Management

81. CSL has constituted a Board level Risk Management Committee (RMC) in line with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for an overall review of the corporate risks. CSL has adopted a comprehensive Risk Management Policy at the 214th meeting of the Board of Directors held on September 16, 2014. The Company's risk management policy aims to put in place a comprehensive risk management system consisting of a defined process of risk management and methodology of identification, assessment, response, monitoring and reporting of risks. The policy provides the management and Board of Directors an assurance that key risks are being properly identified and effectively managed.
82. As per the policy, CSL Board at the helm will review the risk management system in CSL. The Board shall discharge its responsibility of risk oversight by ensuring the review at periodical intervals. The CSL management comprising of CSL Board level and below Board level executives has been entrusted with the implementation of the risk management process. In this respect, the Company has

functional Risk Management Committees and Board Level Risk Management Committees to implement the policy in CSL. The Risk Management Committees and the Board of Directors periodically review the risk management process and policy. The Yard's product mix comprising of defense and commercial shipbuilding and ship repair gives the Company a natural hedge against market risk.

Health, Safety & Environment (HSE)

83. Cochin Shipyard Limited is fully committed to maintaining high HSE standards and ensuring the safety and wellbeing of our employees, customers and stakeholders. Our HSE management system is designed to identify and manage potential hazards and risks and to continuously improve our performance in this area. We believe that a safe and healthy work environment is essential for the well-being of our stakeholders.

84. CSL is pleased to report that Organisational HSE Index percentage has increased by 35% compared to the previous year 2021. This is a clear indication of our focus on HSE and the effectiveness of our HSE governance system in reducing incidents and accidents. This index is giving more thrust on proactive areas rather than reactive areas. This Departmental level HSE Index is benchmarking their HSE performance for demonstrating their commitment at the functional levels.

85. CSL employees are equipped with the necessary skills and knowledge to manage HSE risks and to ensure compliance with relevant laws and regulations. We invest in regular HSE training and competency assessments to ensure our employees have the required skills to perform their duties safely. Our employees are our most valuable asset, and we recognize the importance of providing them with the necessary HSE competencies. We have implemented various training and development programs to enhance their HSE knowledge and skills. Our HSE competency has been identified and updated to ensure that our employees are equipped with the latest HSE practices and regulations.

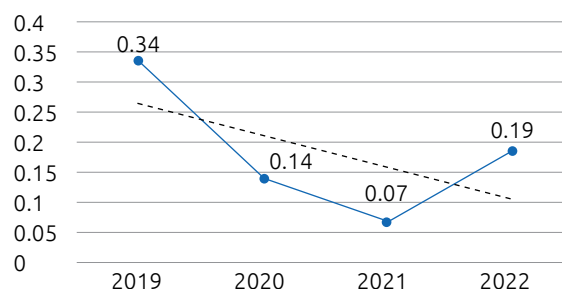
86. We are proud to have received several HSE awards during the year, recognizing our outstanding performance in this area. These awards are a testament to our dedication and commitment to maintaining high HSE standards. The following are the awards.

- (i) Safety Award, Factories & Boilers Dept., Government of Kerala under very large factories above 500 workers in Engineering industry category.
- (ii) Safety Awards won by Team CSL at National Safety Council - Kerala Chapter

- (a) Sreshta Suraksha Puraskar - for Outstanding Safety Performance (1st prize);
- (b) Best Safety Committee – 1st prize; and
- (c) Table top Mock Drill – 2nd prize.

87. Our frequency rate of HSE incidents has a decreasing trend. This is a reflection of our proactive approach to managing HSE risks and our commitment to continuous improvement. We closely monitor our frequency rate, which is an important indicator of our HSE performance. We believe that this is a result of our proactive approach towards identifying and mitigating potential hazards and risks.

Incidents in 1 million man hours



88. CSL evaluates its subcontractors based on their HSE performance and require them to adhere to our HSE policies and standards. We work closely with our subcontractors to ensure they have the necessary resources and training to perform their work safely. We monitor their HSE performance and provide feedback to help them improve. We recognize the importance of our subcontractors' HSE performance and have implemented a robust evaluation process to ensure that they meet our HSE standards and regulations.

89. CSL is fully committed to maintaining high HSE standards and ensuring the safety and wellbeing of our employees, customers and stakeholders. We are pleased with our HSE performance during the year and are continuously striving to improve. We will continue to invest in our HSE management system and promote a strong HSE culture across our organization. We remain committed to maintaining a safe and healthy work environment and continuously improving our HSE performance. We believe that our efforts towards HSE not only benefit our employees but also our customers, communities and the environment.

Industrial Security

90. Cochin Shipyard Limited is a vital organisation with national importance and is classified as special security zone by both State and Central Government and the security of the Establishment has got national importance. The primary security of the Establishment is entrusted with Central Industrial Security Force (CISF) unit comprising of 161 CISF personnel under the command of Dy. Commandant, CISF. Overall security of the Company continued to be robust without causing any serious security concern during the year. All security systems and measures introduced and installed in the Company are of international standards. Periodic joint survey was conducted by the Company along with CISF. Twenty-four hours waterfront patrolling with armed personnel and wireless surveillance (CCTV) system covering all critical locations and installations are in place. The periodic mock drill exercises are conducted in coordination with Intelligence Bureau, State Police, State Fire Department, Bomb Squad and Navy to assess the readiness of CISF force to counter any security threat, security breach, crisis or calamities.
91. CISF is carrying out their security surveillance and duties with security gadgets which includes biometric access control system, X-ray baggage scanner, door frame metal detectors, hand held metal detectors, breath analysers, vehicle patrolling, boat patrolling and foot patrolling etc. The upgradation of security gadgets is being taken up as per the technical survey of CISF to bring modern security gadgets to enhance the existing security system and facilitate the CISF a foolproof frisking mechanism at all gates.
92. Special security attention is being accorded to the Indigenous Aircraft Carrier (IAC) 'INS Vikrant' with an exclusive security arrangement provided apart from the overall security arrangement of the Establishment.
93. The security strength and requirements of additional security enhancements are periodically monitored by the Head Quarters of CISF through technical resurvey for security gadgets and resurvey for manpower augmentations. The strength of CISF is being augmented to 226 in a phased manner as per the resurvey.
94. The additional security gadgets including CCTV surveillance, biometric access system, DDS, boat patrolling etc., have also been arranged for safeguarding and avoiding any imminent threat for the ship. In order to enhance the security, additional Patrol Boat is being positioned.
95. The entry to the Yard is effectively controlled via access control systems including biometric embedded turnstile gates, X-ray baggage machines, DFMD etc. A full-fledged visitor's facilitation center is operated for scrutiny and verification of the credentials of the visitors to the Company. X-ray baggage scanning systems have been installed at the Main entry gate and contractors' workmen entry gate of the Company. All the entry passes issued are photo-based entry passes.
96. The work on integrated security system through Bharat Electronics Limited (BEL), Bangalore is currently in progress. The major equipments pertaining to the system has been received at CSL. The installation and testing of ESPF system have been completed. The laying of cables for installation of cameras is currently in progress. As part of the proposed integrated security system, a GPS based tracking tag for the visitors and RFID tagged pass system are also being implemented, thus to keep track of the movements of the visitors within the Yard.
97. The monitoring of visitors, materials and vehicles movement in the Company are done through an integrated ERP module of visitors' management system which ensures effective and vigilant monitoring of materials movement into and out of the Company. Additionally, the Yard has proposed for implementation of Aadhaar verification of all visitors and contractors' workmen before issue of entry pass. The project is being implemented in association with CDAC – Mumbai. The procedure for implementation of the project is under final approval from Ministry of Ports, Shipping and Waterways, Government of India.
98. CSL has also engaged DGR sponsored ex-servicemen security agency for supplementing existing forces mainly catering to external properties of CSL and also internal specific locations, comprising of 77 personnel.

Awards and Recognitions

99. During the financial year 2022-23 CSL received the following awards:
- (a) 'Excellence in Indigenisation Award' at the Aerospace and Defence Awards 2022;
 - (b) KSPC-FACT MKK Nayar Memorial Productivity Awards 2020-21 for Best Productivity Performance Award in Industry Category I;

▶ DIRECTORS' REPORT

- (c) First Prize for the implementation of Official Language from Kochi Town Official Language Implementation Committee (TOLIC) among the companies having less than 200 administrative employees;
- (d) Second Prize for the Hindi Home Magazine 'Sagar Ratn' from Kochi TOLIC (PSUs);
- (e) 'Sreshta Suraksha Puraskar' for Outstanding Safety Performance (1st Prize) of National Safety Council, Kerala Chapter;
- (f) Safety awards of Kerala Chapter of National Safety Council, for 'best performing safety committee';
- (g) Second prize for 'tabletop mockdrill competition of National Safety Council'; and
- (h) Kerala State Industrial Safety Award 2022 for 'outstanding performance in industrial safety & health, from Department of Factories & Boilers, Government of Kerala.
- 3 Whole Time Directors, 2 Part-time official (Nominee) Directors, one each from Government of India and Government of Kerala and 6 Non-official (Independent) Directors.
101. The Ministry of Ports, Shipping and Waterways (MoPSW), Government of India (GoI) vide letter F. No. SY-11012/1/2020-CSL dated July 21, 2022 appointed Shri Sreejith K Narayanan, former Chief General Manager (Ship Repair) as the Director (Operations) of the Company.
102. The MoPSW, GoI vide letter no. SY-11012/1/2017-CSL dated July 28, 2022, appointed Shri Vikram Singh, the then Joint Secretary (Shipping, PHRD & Chief Vigilance Officer), MoPSW, GoI, as Part-time official (Nominee) Director of CSL in place of Shri Sanjay Bandopadhyaya IAS. Subsequently, MoPSW, GoI vide letter no. SY-11012/1/2017-CSL dated November 21, 2022, appointed Shri Rajesh Kumar Sinha IAS, Additional Secretary, MoPSW, GoI, as Part-time official (Nominee) Director of CSL in place of Shri Vikram Singh.
103. Further MoPSW, GoI vide letter no. SY-11012/1/2017-CSL dated January 02, 2023, appointed Shri Biju Prabhakar IAS, Secretary, Transport Department, Government of Kerala, as Part-time official (Nominee) Director of CSL in place of Shri Jyothilal K R IAS.

Board of Directors & Key Managerial Personnel

100. As on March 31, 2023 the Board of CSL comprises of 12 directors consisting of a Chairman & Managing Director,

104. Details of changes in Key Managerial Personnel during the financial year 2022-23 are given below:

Sl. No.	Name	DIN	Designation	Date of Appointment	Date of Cessation	Remarks
1.	Shri Madhu Sankunny Nair	07376798	Chairman & Managing Director	January 01, 2016	Continuing	No Change
2.	Shri Bejoy Bhasker ⁽¹⁾	08103825	Director (Technical)	April 05, 2018	Continuing	No Change
3.	Shri Jose V J ⁽²⁾	08444440	Director (Finance)	August 01, 2019	Continuing	No Change
			Chief Financial Officer	August 13, 2019		
4.	Shri Sreejith K Narayanan	09543968	Director (Operations)	July 21, 2022	Continuing	Appointment
5.	Shri Syamkamal N	N.A.	Company Secretary & Compliance Officer	February 01, 2020	Continuing	No Change

⁽¹⁾ The Ministry of Ports, Shipping and Waterways, Government of India, vide letter no. SY-11012/1/2022-CSL dated February 15, 2023 extended the tenure of Shri Bejoy Bhasker (DIN: 08103825), as Director (Technical) for a further period from April 05, 2023 till the date of his superannuation i.e., May 31, 2025, or until further orders, whichever is earlier.

⁽²⁾ Shri Jose V J, whose office as Director was liable to retire by rotation and being eligible was reappointed as the Director of the Company at the 50th Annual General Meeting (AGM) of the Company held on September 29, 2022.

Declaration and Meeting of Independent Directors

105. During the financial year 2022-23, the Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013. A separate meeting of Independent Directors was held during the financial year on March 26, 2023 which was attended by all the Independent Directors of the Company.

Details of Board Meetings held during 2022-23

106. Six Board Meetings were held during the year 2022-23 and the gap between two meetings did not exceed the statutory period. The dates on which the Board Meetings were held along with the attendance of Directors therein, are as follows:

Sl. No.	Date	Board Strength	No. of Directors present
1	May 20, 2022	11	11
2	July 18, 2022	11	11
3	August 10, 2022	12	12
4	October 14, 2022	12	10
5	November 10, 2022	12	10
6	February 10, 2023	12	12

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

Remuneration Policy/ Evaluation of Board's Performance

108. Cochin Shipyard is a Government of India company under the Ministry of Ports, Shipping and Waterways. Presently, the Directors of the Company are presidential appointees and their remuneration is fixed in accordance with the DPE guidelines. Accordingly, Article 21(a) of the Articles of Association of CSL states that, President will appoint Directors and determine their remuneration. Since, the Board level appointments are made by President of India, the evaluation of performance of such appointees is also done by the Government of India. The Independent Directors evaluated the performance of the Board as a whole in a separate meeting of Independent Directors held on March 26, 2023.

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

109. Presently, the remuneration of Board level appointees is determined in accordance with DPE guidelines. CSL at its 228th Board meeting held on December 14, 2016 adopted the Nomination and Remuneration Policy in compliance with the provisions of Section 178 of the Companies Act, 2013. CSL in its 241st Board meeting held on May 24, 2018

and further in its 245th Board meeting held on October 31, 2018 amended the Policy. The Policy is available in the website of the Company at https://cochinshipyard.in/investor/investor_titles/68

Directors Responsibility Statement

110. Your Directors state that:

- (a) in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the year ended on that date;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a 'going concern' basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Contracts and arrangements with related parties

111. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material. Your Directors draw attention of the members to Note 51 to the standalone financial statements which set out related party disclosures as per Indian Accounting Standard (Ind AS) 24. Further, Form AOC-2 has been placed at Annexure II as required under Section 134(3)(h) of the Companies Act, 2013.

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

112. As on March 31, 2023, CSR & SD Committee comprises of Shri Nahar Singh Maheshwari (DIN: 09419082), Non-official (Independent) Director as Chairperson, Smt. Amrapali Prashant Salve (DIN: 09415405), Non-official (Independent) Director, Shri Bejoy Bhasker (DIN: 08103825), Director (Technical) and Shri Jose V J (DIN: 08444440), Director (Finance) as members.
113. The Corporate Social Responsibility and Sustainable Development (CSR & SD) Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy can be accessed on the Company's website at the link <https://cochinshipyard.in/csr/aboutus#parentVerticalTab3>
114. Cochin Shipyard started CSR activities in the year 2010-11 based on the guidelines issued by the Department of Public Enterprises (DPE) applicable to Government Companies. CSL has put in place an effective CSR Policy and implementation machinery. The CSR implementation machinery consists of three tier system; Tier I CSL Board, Tier II CSL Board Level CSR Committee consisting of four members of the Board, chaired by an Independent Director and Tier III CSL CSR Executive Committee consisting of senior level executives across various departments of the Company.
115. During the year 2022-23, the Company could engage in meaningful CSR initiatives that received appreciation both within Kerala and also nationally.
116. The Company has spent ₹17.25 Crores against the target mandatory CSR spending of ₹16.06 Crores (after adjusting the excess spent during the financial year 2021-22) for the financial year 2022-23. "Health & Nutrition" has been adopted as common theme for undertaking CSR activities by CSL for the year 2022-23.
117. The Annual Report on CSR activities is placed at Annexure III.

Audit Committee

118. As on March 31, 2023, the Audit Committee of CSL comprises of Shri Prithviraj Harichandan (DIN: 01351097), Non-official (Independent) Director as Chairperson, Shri Ashok Sharma (DIN: 09414565), Non-official (Independent) Director and Shri Abhijit Biswas (DIN: 09419083), Non-official (Independent) Director as members. All recommendations of the Audit Committee were accepted by the Board of

Directors. Particulars regarding the Audit Committee are provided under the section 'Board Committees' in the Report on Corporate Governance.

Corporate Governance

119. The Company is committed to maintaining the highest standards of corporate governance and has put in place an effective corporate governance system. The Company complies with the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and also the Guidelines on Corporate Governance issued by the Department of Public Enterprises. The Company submits its progress reports on corporate governance within 15 days from the close of each quarter to the Administrative Ministry viz., Ministry of Ports, Shipping and Waterways as recommended by the DPE in this regard. The Report on Corporate Governance forms part of the Directors' Report.

Management Discussion and Analysis

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

Internal Financial Controls

121. The Company has in place adequate internal financial controls with reference to financial statements. During the financial year 2021-22, the Company had engaged M/s. Varma & Varma, Chartered Accountants for reviewing and installing adequate Internal Financial Controls and to ensure proper and adequate systems for compliance with the provisions of all applicable laws. Such controls were tested and no reportable material weakness in the design or operation was observed. There is no major variation in the control environment during the financial year 2022-23.
122. In order to provide for functional autonomy, the Company has a system wherein financial powers of the Board of Directors are delegated to the CMD. These powers are further sub-delegated to officers at various levels for smooth and efficient day to day functioning. An independent internal audit mechanism is in place for conducting extensive audit of various operational and financial matters. Compliance Audits are also being carried out by C&AG on a yearly basis.
123. During the year 2022-23, the Board of Directors/ Audit Committee examined internal/statutory audit observations and provided guidance based on the same. The scope of the internal audit also included the review as to whether the

laid down internal controls are followed and assessment as to whether such internal controls are adequate and are operating effectively.

124. The Board of Directors/ Audit Committee also looked into the internal control system, Company procedures and internal audit performance and reports. The Company has implemented an integrated ERP System (SAP) since July 2014 and upgraded the same to the latest version S/4HANA from April 2022, which is enabling better management control.

Statutory Auditors

125. M/s. Anand & Ponnappan (Firm Registration No. 000111S), Chartered Accountants, Kochi were appointed as the Statutory Auditors of the Company by the Comptroller & Auditor General of India for the year 2022-23. The shareholders have delegated the power to fix the remuneration of Statutory Auditors to the Board and accordingly, the same has been fixed by the Board.

Auditors Report

126. M/s. Anand & Ponnappan, Statutory Auditors have submitted their report on the standalone and consolidated financial statements of the Company for the financial year ended March 31, 2023, on May 19, 2023. The Report does not contain any qualification, reservation or adverse remark or disclaimer.

Comments of C&AG

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

Cost Auditors

128. The Company maintains cost records with respect to its shipbuilding activities as required under Section 148(1) of the Companies Act, 2013. The Board has appointed M/s. BBS & Associates (Firm Registration No. 00273), Cost Accountants, Kochi, as the Cost Auditors for conducting the audit of cost records of the Company for the financial year 2022-23. The remuneration of Cost Auditor for the financial year 2022-23 was ratified by the shareholders at the 50th AGM held on September 29, 2022.

Secretarial Auditor

129. The Board has appointed M/s. Mehta & Mehta, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2022-23. The Secretarial Audit Report for the financial year ended March 31, 2023 is placed at Annexure IV. There is no qualification, reservation or adverse remark or disclaimer in the Secretarial Audit Report.

Internal Auditor

130. The Board has appointed M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants, Kochi, to conduct Internal Audit for the financial year 2022-23.

Annual Return

131. The annual return of the Company as required under Section 92(3) of the Companies Act, 2013 is available in the website of the Company at https://cochinshipyard.in/investor/investor_titles/55

Investor Services

132. The shares of the Company are listed in BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). CSL has paid listing fees to BSE and NSE on time. Link Intime India Private Limited are the Registrar & Transfer Agents in respect of these equity shares. The tax free bonds issued by the Company in 2013-14 are fully dematerialized with both the depositories, NSDL and CDSL. These bonds are listed on Wholesale Debt Market ("WDM") segment of BSE. During the year India Ratings and Research (Ind-Ra) upgraded the ratings of CSL instruments to IND AAA/ Stable from IND AA+/ Positive. Care Ratings reaffirmed its rating of CARE AAA/ Stable. CSL has paid the listing fees to BSE on time in respect of these bonds. Link Intime India Private Limited is the Registrar & Transfer Agents and SBICAP Trustee Company Limited is the Debenture Trustees in respect of these bonds.

Vigilance

133. The Vigilance Department of Cochin Shipyard Limited performs various activities with regard to preventive and pro-active vigilance, undertakes investigation in cases related to punitive vigilance and conducts surveillance and detection initiatives. Vigilance department strives to ensure transparency, equity and competitiveness in all procurement. Important Central Vigilance Commission

(CVC) guidelines are discussed with Heads of Departments for its strict compliance. Emphasis was given to vigilance sensitization among the officers and supervisors for preventive vigilance.

134. Vigilance Department of Cochin Shipyard Limited is headed by full-time Chief Vigilance Officer, Smt. S. Uma Venkatesan IRS. The Department also includes two officers of CSL and two supporting staff. Vigilance wing were also set up at the wholly owned subsidiaries of CSL viz., Hooghly Cochin Shipyard Limited (HCSL) and Udipi Cochin Shipyard Limited (UCSL).

135. Various systemic improvements recommended by the Vigilance department were implemented by the management during the year. Chief Technical Examiner, CVC type inspections were carried out on select major works/ procurements in Civil department, Ship Building and Ship Repair divisions and reports sent to Chief Technical Examiner, CVC. Various contracts and audit reports were monitored during the year. Vigilance department has also conducted surprise/ periodic inspections in various areas of operations and suggested corrective actions wherever necessary. All reports to the CVC are submitted in time and no reference is pending with CVC. Vigilance sensitization programmes as part of Vigilance Awareness Week was conducted in a felicitous manner during October – November 2022.

Right to Information Act

136. In order to promote transparency and accountability, your Company has implemented the provisions of the Right to Information (RTI) Act, 2005 in its true letter and spirit and an appropriate mechanism has been set up in the Company with a dedicated centralised RTI Cell to provide information to the citizens under the provisions of this Act. All the RTI requests and the appeals received both online and offline during the year 2022-23 have been processed and information was provided in a time bound manner as stipulated in the Act.

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

Vigil Mechanism

138. The Cochin Shipyard Vigil Mechanism and Whistle Blower Policy of CSL adopted by the Board of Directors at their 228th Meeting held on December 14, 2016 was

functioning as the Vigil Mechanism of CSL. Further, in line with the guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, CSL had adopted Fraud Prevention and Detection Policy at the 214th Board Meeting held on September 16, 2014. Since the larger objective of both policies was similar, CSL adopted a combined policy viz., Whistle Blower and Fraud Prevention Policy at the 252nd Board Meeting held on November 12, 2019. The Whistle Blower and Fraud Prevention Policy of CSL is available at the link https://cochinshipyard.in/investor/investor_titles/68

Details of frauds reported by Auditors under Section 143

139. Nil.

Particulars of loans, guarantees or investments

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

a) given any loan to any person or other body corporate, except as given below:

Name of the Company	Description of loan	Amount (₹ Crores)	Remarks
Hooghly Cochin Shipyard Limited	6.5% unsecured loan for a tenure of three months.	6.50	Loan was repaid during FY 2023 itself.

b) given any guarantee or provided security in connection with a loan to any other body corporate or person; and

c) acquired by way of subscription, purchase or otherwise, the securities of any other body corporate, as prescribed under Section 186 of the Companies Act, 2013, except as stated below:

Name of the Company	Description of Investment	Amount (₹ Crores)
Hooghly Cochin Shipyard Limited	Equity Shares by way of Rights Issue	46.00
Udipi Cochin Shipyard Limited (Formerly Tebma Shipyards Limited)	Equity Shares by way of Rights Issue	25.00

Material changes and commitments

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

Details of change in nature of business

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

Deposits

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

Secretarial Standards

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

Significant and Material orders

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

Business Responsibility and Sustainability Report

146. The Securities and Exchange Board of India (SEBI) has mandated inclusion of Business Responsibility and Sustainability Report ("BRSR") as part of the Annual Report for top 1000 listed entities based on market capitalization. The Company has provided BRSR in the prescribed format which forms part of the Annual Report. BRSR indicates the Company's performance against the principles of the 'National Guidelines on Responsible Business Conduct'. This would enable the Members to have an insight into environmental, social and governance initiatives of the Company.

Acknowledgement

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

For and on behalf of the Board of Directors

Kochi
May 19, 2023

Madhu Sankunny Nair
Chairman & Managing Director
DIN: 07376798

Annexure I

A. Conservation of Energy

a. Steps taken or impact on conservation of energy during the year 2022-23.	<p>Steps Taken</p> <ul style="list-style-type: none"> • Installed Static Frequency Converter (SFC) as an alternative for motor generator set for providing power at 60 Hz frequency to docks and quays; • Replaced high pressure mercury vapour light fittings with energy efficient LED' light fittings at various LLTT/ Gantry Cranes; • Electrification of new buildings is carried out with LED lights instead of conventional discharge lamps; • Provided VRF air-conditioning system at office buildings; • Use of energy efficient BLDC/ 5 star fans instead of ordinary ceiling fans; • Leakages in the compressed air distribution system and other industrial gas lines are regularly monitored and rectified; • Power factor is continuously monitored and maintained near unity; • Switching off Main power supply to shops, quays & docks momentarily at 12:00 Hrs. This trips man coolers, roof extractors (controlled through starters) etc. which are not required during the lunch break; • Switching off Main Air Compressor during lunch break; and • Displayed energy saving stickers & posters, conducted seminar and quiz competition for inculcating awareness among employees for energy conservation aimed at optimum use of electric power. <p>Impact</p> <p>Energy saving is approx. 8.14 Lakhs units per annum with the implementation of measures specified above.</p>
b. Steps taken for utilizing alternate sources of energy.	<ul style="list-style-type: none"> • Installed solar powered street lights at new parking area outside CSL and METI; • 20.34 Lakhs units of energy were generated from existing solar power plants of capacity 1622 kWp during the year 2022-23; and • Purchased 3.35 Lakhs units of renewable energy through Open Access (Green Day Ahead Market).
c. Capital investment on energy conservation equipments.	<ul style="list-style-type: none"> • An amount of approximately ₹1.36 Crores have been invested for implementation of energy conservation measures specified above.

B. Technology Absorption, Adaptation and Innovation

a. Efforts made towards technology absorption.	<ul style="list-style-type: none"> • Development of parametric hull forms for Ro-Pax Catamaran and Double ended ferry using CAESES Software; • External workshops/ training: <ul style="list-style-type: none"> • 8-day skill upgradation course on Hydrodynamics by Prof. Anantha Subramanian. Ship resistance, Propulsion and hull form design aspects were covered in this course; • Two-day national seminar on Computational Fluid Dynamics in marine technology held in CUSAT; • Training on Ammonia powered vessel and its Class rules and regulations by ClassNK; and • Training on Container Ship Design by DNV Class.
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- Participated in ICE Class model testing of 7k Multi-Purpose vessel at HSVA Hamburg;
 - Participated in Cavitation observation tests of INS Vikrant in Depressurized Wave Basin at MARIN, Netherlands;
 - Enhancement of FE Capabilities:
 - Developed technical expertise in performing non-linear structural analysis (material non linearity) using SIMULIA software in close coordination with experts from IRS.
 - Developed inhouse capability in OpenFOAM (Opensource CFD software) to analyze cases involving large mesh motions using overset grid technique;
 - Procured ShipWeight software to consolidate legacy weight data of previous vessels, analyse and undertake weight estimation for new building ship;
 - Procured Rhino modelling software and VRay rendering software for high quality renders of concept designs; and
 - Prepared following White paper under Green Initiatives in Marine Sector:
 - Voyage Optimization;
 - Battery Applications in Indian Marine Sector;
 - Storage and Dispensing of Hydrogen from Ports;
 - Solar Power for Marine Application;
 - Bio-Fuels/ Methanol for Marine Application; and
 - Potential of usage of Wind Energy for Marine Application.
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- b. Efforts made towards Technology Innovation.
- Developed methodology for pontoon assisted docking of INS Vikrant including docking procedure and risk assessment matrix;
 - Development of complete design of Buoyancy pontoon for docking of INS Vikrant;
 - Performed detailed stability analysis for more than 700 intact and damage scenarios for INS Vikrant;
 - Development of basic design for inland electric catamaran ferry for operation in NW1 &NW2;
 - Development of concept design for 106m Training ship for Indian Coast Guard;
 - Development of bid design for 50m Fast Patrol vessel for Indian Coast Guard;
 - Design Development of Ro-Pax vessels for A&N administration:
 - 250 Pax double ended Ro-Ro ferry;
 - 250 Pax harbor craft; and
 - 100 Pax harbor craft.
 - Development of basic design for fuel cell catamaran ferry;
 - Design development of Landing Craft for Indian Army for Inland Operation:
 - 70T Landing Craft Mechanised; and
 - 200T Landing Ship Tanks.
 - Concept design development of bulk carrier:
 - Battery powered variants – 3000DWT, 4500DWT capacity; and
 - Diesel-Electric propulsion Variants – 4500DWT, 6000DWT capacity.
 - Bid design development of electric catamaran ferry of 50 passenger capacity for operation in Kochi backwaters;
 - Performed Launching calculations of underwater body using OpenFOAM CFD software;
 - Performed system performance checking of INS Vikrant Buoyancy Pontoon Ballast system in FluidFlow3 software;

- Performed Finite Element Analysis on following projects in 3D Experience SIMULIA:
 - A-Frame for storage of Blocks in CSL;
 - Deck Structure in way of Towing Equipment (Staple, Tow Hook, Winch) in Tug; and
 - AFC Hatch structure in INS Vikrant.
- Cable Tray support structure.

Disclosure of particulars in respect of absorption

a. Benefits derived like product improvement, cost reduction, product development or import substitutions.	<ul style="list-style-type: none"> • Increased flexibility for performing design iterations for developing optimized products by having in-house software codes, FEA and CFD capability; • Access to clientele and enhanced credibility on account of high quality design solutions; and • Enhanced competence in design by collaborating with specialized and leading firms.
b. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) following information may be furnished.	
i. The details of technology imported	(i) ALMA ACT CUT nesting software for plates and profiles (ii) ETAP software for analysing, managing and simulating marine power systems
ii. The year of import	(i) 2019-20 (ii) 2020-21
iii. Whether the technology been fully absorbed	Yes
iv. If not fully absorbed, areas where absorption has not taken place and the reasons thereof	Not Applicable
c. Expenditure incurred on Research and Development/ Innovation initiatives	₹ 864.16 Lakhs

C. Foreign Exchange Earnings and Outgo

	(₹ Lakhs)	
Earnings in Foreign Exchange	2022-23	2021-22
From Shipbuilding	27528.05	2137.88
From Ship repair	469.26	161.98
Total	27997.31	2299.86
Expenditure in Foreign Exchange		
Materials (CIF Value)	33042.98	40090.43
Design & Documentation	5274.85	189.51
Service Charge & Others	48582.51	13597.35
Total	86900.34	53877.29

For and on behalf of the Board of Directors

Madhu Sankunny Nair

Chairman & Managing Director

DIN: 07376798

Kochi
May 19, 2023

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis

(a)	Name(s) of the related party and nature of relationship	Hooghly Cochin Shipyard Limited (HCSL); and Udupi Cochin Shipyard Limited (UCSL), Wholly owned subsidiaries.
(b)	Nature of contracts/ arrangements/ transactions	Implementation of ERP system of CSL 'SAP S/4HANA' at HCSL and UCSL with the entire SAP implementation cost and license charges for the financial year 2022-23 only, aggregating to ₹77.88 Lakhs, borne by CSL on behalf of the subsidiary companies.
(c)	Duration of the contracts/ arrangements/ transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	The arrangement is for the initial year only in view of the fact that both the subsidiaries are in a nascent stage of its operations and the cash outgo would negatively impact their financial position. At the same time the implementation of SAP ERP System would benefit the CSL group as a whole considering the features offered by the System. Further, this would also facilitate easy and convenient consolidation of the financials of CSL group for publishing the financials on a quarterly/ half yearly/ yearly basis.
(f)	Date(s) of approval by the Board	May 19, 2023
(g)	Amount paid as advances, if any	Nil
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Applicable

2. Details of material contracts or arrangements or transactions at arm's length basis

(a)	Name(s) of the related party and nature of relationship	Nil
(b)	Nature of contracts/ arrangements/ transactions	Nil
(c)	Duration of the contracts/ arrangements/ transactions	Not Applicable
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable
(e)	Date(s) of approval by the Board, if any	Not Applicable
(f)	Amount paid as advances, if any	Not Applicable

For and on behalf of the Board of Directors

Kochi
May 19, 2023

Madhu Sankunny Nair
Chairman & Managing Director
DIN: 07376798

Annexure III

REPORT ON CORPORATE SOCIAL RESPONSIBILITY**1. Brief outline on CSR Policy of the Company**

The CSR activities in the Company for the year 2022-23 were undertaken in line with the statutory provisions under the CSR Rules and the guidelines issued by the Department of Public Enterprises for Central PSUs, the CSR Policy of the Company.

As per the CSR policy of the Company, for administrative convenience, the Company operates the projects under the categories of Minor projects, which are urgent in nature having value of ₹10 Lakhs or less with the approval of Chairman & Managing Director, limited to 10% of total spend. All other projects were categorised as Major projects. 5% of the total spend is earmarked towards administrative overheads, which includes salary, expenditure on training and travel by CSR staff working in the Department.

Theme for the year: Health & Nutrition

2. Composition of CSR Committee

The Corporate Social Responsibility & Sustainable Development (CSR & SD) Committee of the Board recommends the CSR projects from time to time for the approval of the Board. The Composition of the CSR & SD Committee as on March 31, 2023 is given below:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR & SD Committee	
			held during the year	attended during the year
1.	Shri Nahar Singh Maheshwari (DIN: 09419082)	Non-official (Independent) Director - Chairperson	4	4
2.	Smt. Amrapali Prashant Salve (DIN: 09415405)	Non-official (Independent) Director - Member	4	4
3.	Shri Bejoy Bhasker (DIN: 08103825)	Director (Technical) - Member	4	4
4.	Shri Jose V J (DIN: 08444440)	Director (Finance) - Member	4	4

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

Composition of CSR & SD Committee	https://cochinshipyard.in/csr/aboutus#parentVerticalTab4
CSR Policy	https://cochinshipyard.in/csr/aboutus#parentVerticalTab3
CSR projects approved by the Board	https://cochinshipyard.in/csr/aboutus#parentVerticalTab9

4. Executive summary along with web-link(s) of Impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

Impact assessment of the Project "Ananthakripa" undertaken in the financial year 2018-19 with the CSR support of CSL at a cost of ₹1.5 Crores was carried out by the School of Management Studies (SMS), Cochin University

of Science and Technology (CUSAT). The summary of the report submitted by them is given below:

Ananthakripa is a CSR initiative of Cochin Shipyard Limited which started functioning in the year 2018. Under this project, 12,000 square feet building with dormitories and rooms along with a kitchen and other amenities was set up to provide free accommodation facilities to patients and their bystanders who visit Thiruvananthapuram for tertiary medical care in the various medical care establishments

in the city. An impact assessment study was carried out with the objective of evaluating the social relevance of the initiative and the effectiveness of the project in meeting the real needs of the targeted beneficiary group. The study followed a mixed-method research design combining the elements of qualitative and quantitative research approaches. A modified version of the OECD-DAC (Organization for Economic Co-operation and Development (OECD) – Development Assistance Committee) framework for the evaluation of developmental and humanitarian projects was applied by which the project was assessed in terms of the criteria relevance, effectiveness, impact and sustainability.

The study reveals that Ananthakripa scores well on all the evaluation criteria. Qualitative data analysis clearly indicates the social relevance of this project to the target beneficiary group. Free accommodation service for people who come to Thiruvananthapuram from different parts of Kerala for medical care and their bystanders helps enhance the larger ecosystem of affordable tertiary healthcare in the entire state by improving the accessibility of quality medical care to the lower economic strata of the society. Facilities such as this address the hidden private costs of medical treatment especially in post-treatment care. Although government hospitals cover most of the costs of treatment, patients and their families still encounter several additional financial barriers, especially on money for food and accommodation. The indirect costs of income loss of family members supporting the patient are also a serious issue for most families. Therefore, free/ subsidised

accommodation services for patients and bystanders are enablers for the accessibility of medical care services for the financially disadvantaged sections of society. From the beneficiary survey, beneficiary satisfaction was found to be high with beneficiaries rating all dimensions of services related to Ananthakripa above 4.5 on a scale of 1 to 5. The level of advocacy was also seen to be very high, further validating the level of satisfaction of the beneficiaries. The survey also shows that the benefits of the project are reaching the right target audience. Most beneficiaries who avail of the facility are from economically backward sections (daily wage workers – 85%) having an annual income of less than ₹1 lakh. Most respondents (226 out of 229) reported no specific problem or issue with any dimension of service during their stay in Ananthakripa. Therefore, it can be concluded that the project implementation has been effective and impactful. The sustainability dimension of the project also looks promising as the utilization of the facility is high owing to the high demand for the services and the wide volunteer base of the implementation agency ensures that the manpower requirements and the operating expenses of the facility are covered by volunteers and donations. In conclusion, Ananthakripa by contributing to the larger ecosystem of affordable healthcare to the masses is socially relevant and aligned with the Company’s CSR mission of inclusive growth. The project is also consistent with the Sustainable Development Goals of accessible and inclusive health care.

The full report can be accessed from the link <https://cochinshipyard.in/csr/aboutus#parentVerticalTab7>

5.

(a) Average net profit of the Company as per sub-section (5) of section 135 of the Companies Act, 2013 (“Act”) :	₹82280.09 Lakhs
(b) Two percent of average net profit of the Company as per sub-section (5) of section 135 of the Act :	₹1645.60 Lakhs
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years :	Nil
(d) Amount required to be set-off for the financial year, if any :	₹40 Lakhs
(e) Total CSR obligation for the financial year [(b) + (c) – (d)] :	₹1605.60 Lakhs

6.

(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) :	₹1649.60 Lakhs
(b) Amount spent in Administrative Overheads :	₹73.36 Lakhs
(c) Amount spent on Impact Assessment, if applicable :	₹2.00 Lakhs
(d) Total amount spent for the financial year [(a) + (b) + (c)] :	₹1724.96 Lakhs

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135 of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135 of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1724.96 Lakhs	Nil	NA	NA	Nil	NA

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135 of the Act*	1605.60 Lakhs
(ii)	Total amount spent for the financial year	1724.96 Lakhs
(iii)	Excess amount spent for the financial year [(ii) - (i)]	119.36 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]#	110.00 Lakhs

*The CSR obligation for the financial year 2022-23 after adjusting the excess spent during the financial year 2021-22.

#The amount decided by the Board for set-off in succeeding financial years is given.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sl. No.	Preceding financial year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 of the Act (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 of the Act (in ₹)	Amount spent in the financial year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135 of the Act, if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1.	2021-22	Nil	Nil	Nil	Nil	NA	Nil	Nil
2.	2020-21	Nil	Nil	Nil	Nil	NA	Nil	Nil
3.	2019-20	Nil	Nil	Nil	Nil	NA	Nil	Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:

Yes No

If Yes, enter the number of Capital assets created/ acquired

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Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address

Please refer Annexure IIIA

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

Not Applicable.

May 19, 2023

Madhu Sankunny Nair
 Chairman & Managing Director
 DIN: 07376798

Nahar Singh Maheshwari
 Chairperson, CSR & SD Committee
 DIN: 09419082

Annexure IIIA

Details relating to the capital assets created/ acquired through Corporate Social Responsibility amount spent in the financial year 2022-23

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (J Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner	Registered address
(1)	(2)	(3)	(4)	(5)	CSR Registration Number, if applicable	(6)
1.	'Theruvu Velicham' vehicle for transportation of mentally challenged – Ernakulam	682020	19.08.2020	0.20	Theruvora Pravarthaka Association	Gandhi Nagar, Kadavanthra, Ernakulam – 682020
2.	Ambulance for Kanivu Palliative Care Centre, Thrippunithura	682301	10.06.2022	0.35	Kanivu Palliative Care Society	P Kerala Varma Mandiram, Hospital Junction, Thrippunithura, Ernakulam – 682301
3.	Toilet complex at St. Mary's High School, Aluva	683101	16.05.2022	0.49	St. Mary's High School	Subjail Road, Aluva, Ernakulam – 683101
4.	Vehicle for mobile vaccination to migrant workers CMID, Ernakulam	683542	21.03.2022	0.65	Centre for Migration and Inclusive Development (CMID)	PMC XX/1229, Near Town Hall, Perumbavoor, Ernakulam – 683542
5.	Govt. District Homeo Hospital Pulleppady, support for construction of waiting area and toilet, Pulleppady, Ernakulam	682017	10.10.2022	0.79	Hospital Management Committee, Government District Homeo Hospital	Pulleppady, Kaloor, Ernakulam – 682017
6.	Set up 10 smart classrooms and indoor sensory park for children at Adarsh Special School, Kureekkad, Ernakulam	682305	04.08.2022	1.00	Adarsh Charitable Trust	Kureekkad, Thrippunithura, Ernakulam – 682305
7.	Installation of Water ATM at Noklak, Nagaland	797001	29.08.2022	1.00	Santhi Medical Information Centre	Punnathur Road, Kottapadi P O, Guruvayur, Thrissur – 680505
8.	Vehicle for transportation of tribal children, Seva Bharathi, Thiruvananthapuram	695011	16.09.2022	1.30	Sevabharathi Kerala	TC2/720, MIERA 106, Kappil Lane, Medical College P O, Thiruvananthapuram – 695011

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (J Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner	
					CSR Registration Number, if applicable	Registered address
9.	Vehicle for transportation of differently abled, Karuna Special School, Nayarambalam, Ernakulam	682509	26.07.2022	1.50	CSR00017944	Karuna Special School Nayarambalam, Ernakulam – 682509
10.	Support for construction of ground floor of new building at Jeramia's Home – home for destitute women, Vypin, Ernakulam	682508	03.06.2022	2.00	N.A.	Jeramiah's Home Betroni Palliative Care Centre Charitable Trust Ochanthuruth, Vypin, Ernakulam – 682508
11.	Construction of second floor of Karunya Pain and Palliative Care Hospital, Parappur, Thrissur	680552	30.08.2022	2.00	N.A.	Karunya Charitable Society Karunya Charitable Society, Parappur, Thrissur – 680552
12.	Renovation of school building at St. Joseph's U P School, Karithala, Ernakulam	682011	07.06.2022	2.50	CSR00017332	St. Joseph's U P School Karithala, Ernakulam – 682011
13.	Construction of toilet at Govt. Boys HSS, Aluva, Ernakulam	683101	20.08.2022	2.50	N.A.	PTA Govt. Boys HSS High Road, Aluva, Ernakulam – 683101
14.	Construction Of Building Block At Divyaraksha Divyarakshalayam For Mentally Challenged, Mylakombu, Thodupuzha, Idukki	685584	04.08.2022	3.00	N.A.	Divyaraksha Charitable Society Thodupuzha, Idukki – 685584
15.	Natures Green Guardian Foundation – Micro forest Miyawaki model at Panampilly Nagar, Ernakulam	695043	09.09.2022	3.61	N.A.	Natures Green Guardian Foundation Kudappanakkunnu, Thiruvananthapuram – 695043
16.	Distribution of books to school libraries – Intl. book festival committee, Ernakulam	682026	13.02.2023	4.50	CSR00030611	Bhaskar Rao Smaraka Samithi Madhava Nivas, Perandoor Road, Elamakkara, Kochi – 682026
17.	Renovation of library building for M I Raman Memorial Library, Vellayamattom, Thodupuzha, Idukki	685588	11.02.2023	5.00	CSR00031483	M I Raman Memorial Vayanasala Vellayamattom, Thodupuzha, Idukki – 685588
18.	Installation of Gandhi statue at Edappally Block Panchayath, Ernakulam	682030	06.01.2023	2.50	CSR00041452	Edappally Block Panchayath Kusumagiri P O, Ernakulam – 682030

▶ DIRECTORS' REPORT

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (J Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner	
					CSR Registration Number, if applicable	Registered address
19.	Infrastructure development at St. Augustine's U P School, Kaloar, Ernakulam	682017	20.02.2023	4.50	N.A.	St. Augustine's U P School Kaloar, Ernakulam – 682017
20.	Renovation of auditorium at St. Joachim's U P School Kathrikadavu, Kaloar, Ernakulam	682018	27.03.2023	5.00	CSR00029931	Ernakulam Social Service Society Providence Road, Kacheripady, Ernakulam – 682018
21.	Kids park at Govt. U P School, Mulli, tribal village at Attappadi, Palakkad set up by Swami Vivekananda Medical Mission	678581	11.01.2023	4.5	CSR00002488	Swami Vivekananda Medical Mission Agali, Palakkad – 678581
22.	Construction of Manikanda Gurukulam – boys hostel for tribal children - Sabari Saranasramam, Koonamkara, Pathanamthitta	689711	15.05.2022	5.00	N.A.	Sabari Saranasramam Koonamkara P O, Pathanamthitta – 689711
23.	Support to construct 5 rooms in the ground floor – Centre for palliative care for terminally ill – Guardian Angel Peace Mission, Nedumbassery, Ernakulam	683541	11.10.2022	5.00	N.A.	Guardian Angel Care Charitable Society Airapuram, Ernakulam District – 683541
24.	Rehabilitation centre for mental patients at Devamata Province, Thankey, Alappuzha	686001	13.07.2022	5.00	CSR00020849	Devamatha Province Nagampadam Kottayam – 686001
25.	Support for construction of toilet complex at SMV HSS, Poonjar, Kottayam	686581	10.03.2023	5.00	CSR00020226	SM V Higher Secondary School Poonjar P O, Kottayam – 686581
26.	Physiotherapy equipment at Daya Social Center, special school, Udayamperur, Ernakulam	682307	17.03.2023	5.00	CSR00019971	Daya Social Centre Udayamperoor, Ernakulam – 682307
27.	Vehicle for deaf and blind children, Kottayam Social Service Society, Kottayam	686630	11.03.2023	5.00	CSR00012649	Kottayam Social Service Society Chaithanya, Thekkom P O, Kottayam – 686630
28.	Renovation and maintenance of PVM Anglo Indian U P School, Edakochi	682010	20.02.2023	4.50	CSR00031450	PVMM Anglo Indian U P School Edakochi, Ernakulam – 682010

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (J Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner	
					CSR Registration Number, if applicable	Registered address
29.	Construction of open stage at Brahmanandodayam HSS, Kalady, Ernakulam	683574	29.08.2022	5.13	CSR00002806	Ramakrishna Advaita Ashrama Ashrama Road, Kalady P O, Ernakulam – 683574
30.	Vehicle For Assissi School for Blind, Kalaketty, Kanjirapilly, Kottayam	686508	14.02.2023	4.95	CSR000043507	Assissi School for the Blind Kottayam – 686508
31.	Vehicle for Cochin Cancer Center, Ernakulam	682018	21.02.2023	4.95	CSR00012448	Cochin Cancer Society Providence Road Junction, Kacheripady, Ernakulam – 682018
32.	Construction of toilet complex at St. Joseph's U P School, Manachery, Kannamaly, Ernakulam	692008	14.03.2023	6.00	CSR000042431	St. Joseph's LP & UP School Manacherry, Kannamaly, Ernakulam – 692008
33.	Support for construction of Balika Sadanam at Narayana Giri, Thottumugham, Aluva, Ernakulam	683105	16.11.2022	6.00	CSR00008313	Sri Narayana Sevika Samajam Thottumugham, Aluva, Ernakulam – 683105
34.	Additional infrastructure for Vidyarthini Sadan, Amrithashakthi, Eloor, Ernakulam	683501	23.02.2023	5.40	CSR000040488	Seva Bharathi, Amrutha Shakthi Seva Samithi Amrutha Shakthi Vidhyarthini Sadanam, Eloor South, Udyogamandal, Ernakulam – 683501
35.	Project freedom care – Sanitary napkin manufacturing unit at District jail, Kakkanad, Ernakulam	682038	23.02.2023	5.14	CSR000020148	Buimerc India Foundation Poonithura, Ernakulam – 682038
36.	Installation of Water ATM for fishermen at Fisheries Harbour, Thoppumpadi, Ernakulam	682005	04.05.2022	6.43	N.A.	Cochin Fisheries Harbour Kochi – 682005
37.	Solar street lighting for tribal locality at Elappara, Idukki	695033	02.12.2022	7.01	CSR000019849	Agency for New and Renewable Energy Research and Technology (ANERT) District Office, Painavu P O, Idukki - 685403
38.	Vehicle for Mobility in Distrophy (Mind) Trust Kozhikode	680683	12.02.2023	6.75	CSR00016830	Mobility in Dystrophy Trust (MIND) Building No. IV/162, Pichathara, Puthiyakavu P O, Mathilakam, Thrissur – 680683

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (J Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner	
					CSR Registration Number, if applicable	Registered address
39.	Drinking water facility at three locations at Kuttanad, Alappuzha	688012	17.02.2023	6.75	CSR00035417	District Nirmithi Kendra Alappuzha – 688012
40.	Construction of an auditorium at Sanskrit U P School, Thottara, Ernakulam	678574	31.10.2022	8.00	CSR00019323	Bharatheeya Vidyankethan Kesava Mandir, Kallekkad P O, Palakkad – 678574
41.	Maintenance of Subhash Park – Kochi Municipal Corporation, Ernakulam	682018	05.04.2022	8.00	CSR00022791	Centre for Heritage, Environment and Development C – HED 682018
42.	Installation of blood storage unit, Taluk Hospital, Peermede, Idukki	685603	27.12.2022	9.00	CSR00028609	District Programme Manager, National Health Mission Idukki – 685603
43.	Drinking water facility special school, Faith India Vennikkulam, Ernakulam	682305	28.02.2023	9.00	CSR00036084	Faith India Kokkapilly P O, Thiruvankulam, Ernakulam – 682305
44.	Construction of container toilets at various parts of the city – in association with the NGO Better Kochi Response Ground and CREDAI, Ernakulam	682020	27.03.2023	7.62	N.A.	CREDAI Clean City Movement First Floor, No. 43, Jawahar Nagar, Kadavanthra, Kochi – 682020
45.	Construction of toilets and renovation of class rooms at Anglo Indian High School, Perumanoor, Ernakulam	682015	20.03.2023	10.00	CSR00024898	CCPLM Anglo Indian High School Perumanoor, Ernakulam – 682015
46.	Renovation of classrooms at VHSS, Irumpanam, Thripunithura, Ernakulam	683562	09.02.2023	10.00	CSR00035561	Sevana Foundation Kizhakkambalam, Ernakulam – 683562
47.	Infrastructure upgradation of APJ Abdul Kalam Tribal Residential School, Attappadi, Palakkad	680505	10.03.2023	10.00	CSR00009159	Santhi Medical Information Centre Punnathur Road, Kottapadi P O, Guruvayur, Thrissur District – 680505
48.	Skill Development Center, Alphons Sadan, Kidangoor Angamali, Ernakulam	683572	24.03.2023	10.00	CSR00025065	Alphons Social Centre Kidangoor, Angamaly, Ernakulam – 683572
49.	Renovation of school ground St. Joseph U P School, Kadavanthra, Ernakulam	682019	10.01.2023	5.00	CSR00003167	Welfare Service Society – Sahrudaya Ernakulam – 682019

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (J Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner	
					CSR Registration Number, if applicable	Registered address
50.	Sahayogam – Livelihood restoration of marginalised women in Alappuzha district	689121	19.12.2022	5.00	CSR00027237	Travancore Human Unity for National Awakening (THUNA) – 689121
51.	Construction of toilets for boys and girls at St. Mary's High School, Kandanadu, Ernakulam	682305	21.01.2023	9.00	CSR00044881	St. Mary's High School Kandanad, Ernakulam – 682305
52.	Vehicle for old age home for elderly women at Sathya Sai Orphanage Trust, Thiruvananthapuram	695010	11.02.2023	10.00	CSR00006904	Sathya Sai Orphanage Trust Thiruvananthapuram – 695010
53.	Set up for holistic medical unit at Assisi Holistic Research Centre, Panavally, Alappuzha	688581	14.12.2023	9.00	CSR00020849	Devamatha Province Nagampadam, Kottayam District – 688581
54.	Construction of a building for drying and storing the paddy rice and value added products by Salim Ali Foundation, Vellangallur, Thrissur	680027	21.02.2023	10.80	CSR00015511	Salim Ali Foundation The Nest, Ayyappankavu, Kanimangalam, Thrissur – 680027
55.	Construction of Gandhi Ashramam – skill centre for rural youth by Sarvodaya Kendram, Ramassery, Palakkad	678623	15.11.2022	10.00	CSR00015802	Sarvodaya Kendram Ramassery Road, Pudukkottai, Palakkad – 678623
56.	Employment and income opportunities for persons with disabilities, Sahrudaya Welfare Society, Ponnuruni, Ernakulam	682019	30.08.2022	11.25	CSR00003167	Welfare Service Society – Sahrudaya Ponnuruni, Ernakulam – 682019
57.	Digital library at Govt. HSS, Munderi, Kannur	670002	18.07.2022	15.00	CSR00015937	Kannur District Panchayath Civil Station P O, Kannur – 670002
58.	School bus for special children at Snehasadan Special School, Kalady, Ernakulam	683574	09.03.2023	15.00	CSR00042790	Snehasadan Special School Pothiyakkara, Kalady, Ernakulam – 683574
59.	Construction of public toilets at Hooghly, West Bengal	711109	31.10.2022	10.50	N.A.	CSL Direct

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Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (J Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner	
					CSR Registration Number, if applicable	Registered address
60.	Vehicle and physiotherapy equipment for Miridulasparsham Special School, Tripunithura, Ernakulam	682301	03.03.2023	13.50	CSR00028003	Miridulasparsham Special School Thripunithura, Ernakulam – 682301
61.	Construction of community skill development centre at Sidhanar Service Society, Pathanamthitta	691566	23.01.2023	13.50	CSR00037961	Sidhanar Service Society Kottarakkara, Kollam – 691566
62.	Vehicle for tribal community for transportation and visit to remote tribal hamlets across Kerala	678007	22.02.2023	15.75	CSR00012312	Vanavasi Vikasa Kendram Chandranagar, Palakkad District – 678007
63.	Medical equipments for Thalassery General Hospital, Kannur – post COVID requirements	670002	27.01.2023	19.86	CSR00044749	District Programme Manager, National Health Mission Kannur – 670002
64.	Renovation of AV room at Kerala Historical Museum, Edappally, Ernakulam	682024	17.03.2023	20.00	CSR00035178	Madhavan Nayar Foundation Edappally, Kochi – 682024
65.	Construction of additional classrooms at AMM LP School, Chennai, Ernakulam	682018	17.03.2023	20.00	CSR00029931	Ernakulam Social Service Society Providence Road, Kacheripady, Ernakulam – 682018
66.	Support for community radio station for educational purpose by Snehapoorvam Educational Charitable Trust, Thrissur	680003	10.08.2022	20.00	CSR00014964	Snehapoorvam Educational Charitable Trust Thrissur – 680003
67.	Skill development center for disabled - Samadrushti, Kozhikode	673002	14.12.2022	18.00	CSR00036053	Samadhrushti Charitable Trust Chalappuram, Kozhikode – 673002
68.	Support for Human Excellence Building at Vivekatheertham, Ramakrishna Mission, Belur Math, Kolkata	711202	07.02.2023	20.00	CSR00002806	Ramakrishna Mission P O Belur Math, Howrah – 711202

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (J Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner	
					CSR Registration Number, if applicable	Registered address
69.	Procurement of animal rescue vehicle for Parambikulam Tiger Reserve, Parambikkulam, Palakkad	678661	19.11.2022	15.00	CSR00012019	Parambikulam Tiger Conservation Foundation Anappady, Thunakadavu P O, Parambikkulam, Palakkad – 678661
70.	Phase 2 of Jijau Shrushti Hospital for women and children at Sindkhed Raja, Maharashtra	443203	28.12.2022	20.00	N.A.	Jijau Shrishti, Matruritha Sindkhedraja Buldana – 443203
71.	New building for Bethlehem Abhayabhavan Charitable Society, Koovapady, Ernakulam	683544	31.01.2023	20.00	CSR00016380	Bethlehem Abhayabhavan Charitable Society Koovapady, Ernakulam – 683544
72.	New building for elderly people at Yoginimatha Sevakendram, Chuloor, Thrissur	680567	23.03.2023	20.00	CSR00028022	Yoginimatha Sevakendram P O Chuloor, Thrissur – 680567
73.	Infrastructure upgradation of JMP Medical Centre, Piravom, Ernakulam	686664	11.01.2023	20.00	CSR00022460	Pachomios Educational and Charitable Enlightenment Foundation, JMP Medical Centre Piravom, Ernakulam – 686664
74.	Construction of medical centre at CUSAT campus, Kalamassery, Ernakulam	682022	23.01.2023	20.65	CSR00040361	CUSATECH Foundation CUSAT, Kochi – 682022
75.	Water conservation at tribal hamlet at Aspirational District, Wayanad by CWDRM/ KSCSTE	673571	28.12.2022	12.50	CSR00042039	Centre for Water Resources Development and Management, (CWRDM) Kunnamangalam, Kozhikode – 673571
76.	Construction of shelter home for Theruvora Pravarthaka Association, Pattanakad, Alappuzha	688531	07.02.2023	22.50	CSR00022500	Theruvora Pravarthaka Association Pattanakad, Alappuzha – 688531
77.	Construction of first floor at Sree Parameswari Mathrusadanam, Kannara, Thrissur	680652	02.12.2022	25.00	CSR00020652	Sree Parameswari Grama Sevika Samiti 16/190B, Kannara P O, Thrissur – 680652
78.	Construction of yoga hall at Sree Saraswathy Vidya Mandir, Peruva, Kottayam	686610	14.03.2023	30.00	CSR00019398	Sree Saraswathy Educational Trust Karikode P O, Peruva, Kottayam – 686610

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (J Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
79.	Construction of building for the old age home, Kasthurba Gandhi National Memorial Trust Medical Centre, Nedupuzha, Thrissur	680007	27.01.2023	27.00	CSR00011945	Katurba Gandhi National Memorial Trust	Nedupuzha P O, Thrissur – 680007
80.	Pelican Centre, Kanjiramattom – palliative care building & stretcher lift facility	682317	11.03.2023	30.00	CSR00022730	Pelican Centre	Kanjiramattom, Ernakulam – 682317
81.	Infrastructure upgradation of Devashrayam Special School, Palakkad	678007	17.02.2023	27.00	CSR00038938	Devashrayam Charitable Trust	Palakkad – 678007
82.	Support for construction of hostel building for Kerala Federation of blind, Kudayathur, Idukki	695035	09.02.2023	15.00	CSR00020312	Kerala Federation of Blind	Thiruvananthapuram – 695035
83.	Construction of Abhayam, transit shelter home for women – a project by Rugmini Smrithi Trust Kadungallur, Ernakulam	683102	30.11.2022	28.00	CSR00011313	Rugmini Smrithi Trust	Kadungallur, Ernakulam – 683102
84.	Procurement of fully equipped cancer awareness and screening vehicle at Bhagawan Mahaveer Cancer Hospital, Jaipur	302017	21.01.2023	31.50	CSR00005954	Bhagwan Mahaveer Cancer Hospital & Research Centre	Jaipur – 302017
85.	Robotic technology for manhole cleaning at Kochi Corporation	682018	03.01.2023	39.52	CSR00022791	Centre for Heritage, Environment and Development C – HED	Corporation Building, Kacherippady, Kochi – 682018
86.	Construction of management development centre for Kerala Management Association (KMA), Ernakulam	682036	30.12.2022	40.00	CSR00019002	Kerala Management Association	Ernakulam – 682036
87.	Skill development and employment for neuro divergent individuals through digital enablement programme – Welfare Services Ernakulam Sahrudaya	682019	30.08.2022	27.00	CSR0003167	Welfare Service Society – Sahrudaya	Ernakulam – 682019

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (J Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner	
					CSR Registration Number, if applicable	Registered address
88.	Kannur Zilla Panchayat -Construction of 3 community halls	670002	23.11.2022	40.50	CSR00015937	District Panchayath Kannur Civil Station P.O, Kannur – 670002
89.	Trissur – new building for boys at Sanjeevani Samithi, Urakam, Thrissur	680562	10.11.2022	45.00	CSR00033092	Sanjeevani Samithi Cherpu, Urakam P O, Thrissur District – 680562
90.	Construction of two floors for special school at Nutan Gulgule Foundation, Thane, Maharashtra	400069	28.02.2023	45.00	CSR00019552	Nutan Gulgule Foundation Thane – 400069
91	Open Air Gym at different public places and parks in Kochi Municipal Area, Saukhyam Charitable Trust	682017	08.03.2023	55.00	CSR00003267	Soukhyam Charitable Trust Ernakulam – 682017
92.	Installation of water treatment plants at different schools at Dibrugarh – TIPKAI, Guwahati	781006	06.02.2023	58.50	CSR00031155	TIPKAI Guwahati, Assam – 781006
93.	Construction of new class rooms at Edamalakkudi Govt. Tribal School – Nirmithi Kendra, Idukki	685603	13.01.2023	59.40	CSR00044319	District Nirmithi Kendra Idukki – 685603
94.	Support for trauma care centre at Srivalsam Institute of Medical Sciences, Edappal, Malappuram	680001	30.11.2022	62.00	CSR00007802	Sreevalsam Educational Trust Thrissur – 680001
95.	Setting up drinking water facility at different districts in Nagaland	797001	24.11.2022	72.00	CSR00024598	Investment and Development Authority of Nagaland (IDAN) Kohima, Nagaland – 797001

Annexure IV

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

[Pursuant to section 204(1) of the Companies Act, 2013 And Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on our verification of Cochin Shipyard Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Cochin Shipyard Limited ("the Company") for the financial year ended 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External

Commercial borrowings (During the period under review not applicable to the Company)

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations");
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (During the period under review not applicable to the Company)
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021; (During the period under review not applicable to the Company)
 - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (During the period under review not applicable to the Company)
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (During the period under review not applicable to the Company)

- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (During the period under review not applicable to the Company); and
- (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (During the period under review not applicable to the Company).
- (vi) Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 ("CG Guidelines");
- (vii) Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period review were carried out in compliance with the provisions of the Act and in compliance with orders issued by the Central Government.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were passed unanimously.

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

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

- (i) The Members at the Annual General Meeting held on 29.09.2022 approved a final dividend of ₹3.75/- per equity share for the financial year 2021-22;
- (ii) The Board of Directors at their Meeting held on 10.11.2022 approved an interim dividend of ₹7/- per equity share; and
- (iii) The Board of Directors at their Meeting held on 10.02.2023 approved a 02nd interim dividend of ₹7/- per equity share.

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

Atul Mehta

Partner

FCS No: 5782

CP No: 2486

UDIN: F005782E000337102

Place: Mumbai
Date: May 19, 2023

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

ANNEXURE A

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

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion in these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in point vi & vii of our Secretarial Audit Report in Form No. MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
7. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Atul Mehta

Partner

FCS No: 5782

CP No: 2486

UDIN: F005782E000337102

Place: Mumbai

Date: May 19, 2023

For and on behalf of the Board of Directors

Madhu Sankunni Nair

Chairman & Managing Director

DIN: 07376798

Kochi

May 19, 2023

Report on Corporate Governance

Company's Philosophy on Corporate Governance

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

Board of Directors

2. The Board of Directors of Cochin Shipyard Limited plays a pivotal role in ensuring good Corporate Governance. The composition of the Board of the Company is governed by the provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"). The composition of the Board during the financial year ended March 31, 2023 is as follows:

Sl. No.	Name of Director	Director Identification Number (DIN)	Category of Directorship
1.	Shri Madhu Sankunny Nair	07376798	Chairman & Managing Director
2.	Shri Bejoy Bhasker ⁽¹⁾	08103825	Director (Technical)
3.	Shri Jose V J	08444440	Director (Finance)
4.	Shri Sreejith K Narayanan ⁽²⁾	09543968	Director (Operations)
5.	Shri Sanjay Bandopadhyaya IAS ⁽³⁾	00088957	Part-time official (Nominee) Director, Government of India
6.	Shri Vikram Singh ⁽⁴⁾	09191857	Part-time official (Nominee) Director, Government of India
7.	Shri Rajesh Kumar Sinha IAS ⁽⁵⁾	05351383	Part-time official (Nominee) Director, Government of India
8.	Shri Jyothilal K R IAS ⁽⁶⁾	01650017	Part-time official (Nominee) Director, Government of Kerala
9.	Shri Biju Prabhakar IAS ⁽⁷⁾	03093072	Part-time official (Nominee) Director, Government of Kerala
10.	Smt. Amrapali Prashant Salve	09415405	Non-official (Independent) Director
11.	Shri Nahar Singh Maheshwari	09419082	Non-official (Independent) Director
12.	Shri Ashok Sharma	09414565	Non-official (Independent) Director
13.	Shri Prithviraj Harichandan	01351097	Non-official (Independent) Director
14.	Shri Venkatesan M	07667728	Non-official (Independent) Director
15.	Shri Abhijit Biswas	09419083	Non-official (Independent) Director

⁽¹⁾ The Ministry of Ports, Shipping and Waterways, Government of India, vide letter no. SY-11012/1/2022-CSL dated February 15, 2023 extended the tenure of Shri Bejoy Bhasker (DIN: 08103825), as Director (Technical) for a further period from April 05, 2023 till the date of his superannuation i.e., May 31, 2025, or until further orders, whichever is earlier.

⁽²⁾ The Ministry of Ports, Shipping and Waterways (MoPSW), Government of India vide letter F. No. SY-11012/1/2020-CSL dated July 21, 2022 appointed Shri Sreejith K Narayanan, former Chief General Manager (Ship Repair) as the Director (Operations) of the Company.

⁽³⁾ & ⁽⁴⁾ The Ministry of Ports, Shipping and Waterways (MoPSW), Government of India (GoI) vide letter no. SY-11012/1/2017-CSL dated July 28, 2022, appointed Shri Vikram Singh, the then Joint Secretary (Shipping, PHRD & Chief Vigilance Officer), MoPSW, GoI, as Part-time official (Nominee) Director of CSL in place of Shri Sanjay Bandopadhyaya IAS.

Shri Vikram Singh is a 1997-batch officer of the Indian Railway Traffic Service (IRTS). He holds a Bachelor's Degree in Civil Engineering. He has held several senior positions in various offices of the Central Government.

⁽⁴⁾ & ⁽⁵⁾ The Ministry of Ports, Shipping and Waterways (MoPSW), Government of India (GoI) vide letter no. SY-11012/1/2017-CSL dated November 21, 2022, appointed Shri Rajesh Kumar Sinha IAS, Additional Secretary, MoPSW, GoI, as Part-time official (Nominee) Director of CSL in place of Shri Vikram Singh.

⁽⁶⁾ & ⁽⁷⁾ The Ministry of Ports, Shipping and Waterways (MoPSW), Government of India vide letter no. SY-11012/1/2017-CSL dated January 02, 2023, appointed Shri Biju Prabhakar IAS, Secretary, Transport Department, Government of Kerala, as Part-time official (Nominee) Director of CSL in place of Shri Jyothilal K R IAS.

The profile of the Directors, including the nature of their expertise in specific functional areas, who were appointed during the financial year 2022-23 and holding the Director post as on March 31, 2023 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 'Other Directorships and Committee positions' below.

3. Disclosure of relationship between Directors inter-se: Nil
4. None of the Directors of the Company were members in more than ten committees or act as Chairperson of more than five committees across all listed entities in which he/ she is a Director. None of the Independent Directors of the Company held Directorships in more than seven listed companies.
5. The Companies Act, 2013 read with relevant Rules made thereunder, facilitates the participation of the Director in the Board/Committee meetings through electronic mode. During the year under review, the Company has made the necessary arrangements for the Directors to attend the meetings through electronic mode and the Directors have made use of the said facility wherever required.
6. The meetings of the Board of Directors and Committees have been conducted in the manner as specified in SEBI Listing Regulations and the Companies Act, 2013.

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

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

	Board Meetings						AGM
	2022					2023	2022
	May 20	Jul 18	Aug 10	Oct 14	Nov 10	Feb 10	Sep 29
Shri Madhu Sankunny Nair	Y	Y	Y	Y	Y*	Y	Y*
Shri Bejoy Bhasker	Y	Y	Y	Y	Y	Y	Y*
Shri Jose V J	Y	Y	Y	Y	Y	Y	Y
Shri Sreejith K Narayanan	NA	NA	Y	Y	Y	Y	Y
Shri Sanjay Bandopadhyaya IAS	Y*	Y*	NA	NA	NA	NA	NA
Shri Vikram Singh	NA	NA	Y*	N	N	NA	N
Shri Rajesh Kumar Sinha IAS	NA	NA	NA	NA	NA	Y*	NA
Shri Jyothilal K R IAS	Y*	Y*	Y*	N	N	NA	N
Shri Biju Prabhakar IAS	NA	NA	NA	NA	NA	Y	NA
Smt. Amrapali Prasant Salve	Y	Y	Y*	Y*	Y	Y	Y*
Shri Nahar Singh Maheshwari	Y	Y	Y	Y*	Y	Y	Y*
Shri Ashok Sharma	Y*	Y*	Y*	Y*	Y*	Y	Y*
Shri Prithiviraj Harichandan	Y*	Y*	Y	Y*	Y	Y*	Y*
Shri Venkatesan M	Y*	Y	Y	Y*	Y*	Y	Y*
Shri Abhijit Biswas	Y*	Y*	Y	Y*	Y*	Y*	Y*

* attended through electronic mode.

NA – Not applicable.

Other Directorships and Committee positions

8. The total number of other Directorship(s) held by Directors and other positions of Membership/ Chairmanship on Committees, as on March 31, 2023 are given below:

Name of the Director	No. of Directorship in other public limited companies		Board Committee positions held in other public limited companies		Name of other Listed Entity where the person is a Director	Category of Directorship in the Listed Entity
	Chairman	Member	Chairman	Member		
Shri Madhu Sankunny Nair	2	2	-	-	-	-
Shri Bejoy Bhasker	-	2	-	-	-	-
Shri Jose V J	-	2	-	-	-	-
Shri Sreejith K Narayanan	-	2	-	-	-	-
Shri Rajesh Kumar Sinha IAS	-	2	-	-	Shipping Corporation of India Limited	Nominee Director
Shri Biju Prabhakar IAS	-	4	-	1	Konkan Railway Corporation Limited	Nominee Director
Smt. Amrapali Prashant Salve	-	-	-	-	-	-
Shri Nahar Singh Maheshwari	-	-	-	-	-	-
Shri Ashok Kumar Sharma	-	-	-	-	-	-
Shri Prithviraj Harichandan	-	-	-	-	-	-
Shri Venkatesan M	-	-	-	-	-	-
Shri Abhijit Biswas	-	-	-	-	-	-

Notes

- (i) The Directorships held by Directors as mentioned above does not include Alternate Directorships, Directorships in Private Limited Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.
- (ii) Membership/ Chairmanship of only the Audit Committees and Stakeholders Relationship Committees of all Public Limited Companies and Government Companies have been considered.
9. None of the Directors except the following hold any shares in the Company as on March 31, 2023:

Name of the Director	No. of Equity Shares Held
Shri Madhu Sankunny Nair	1400
Shri Bejoy Bhasker	510

Chart of skills/ expertise/ competence of the Board of Directors as on March 31, 2023

Sl. No.	Skills/ Expertise/ Competency	Shri Madhu Sankunny Nair	Shri Bejoy Bhasker	Shri Jose V J	Shri Sreejith K Narayanan	Shri Rajesh Kumar Sinha IAS	Shri Biju Prabhakar IAS	Smt. Amrapali Prashant Salve	Shri Nahar Singh Maheshwari	Shri Ashok Sharma	Shri Prithviraj Harichandan	Shri Venkatesan M	Shri Abhijit Biswas
1.	Ship building/ repair industry experience	Y	Y	Y	Y	Y							
2.	Knowledge of Ship building/ repair sector	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Accounting knowledge	Y		Y			Y			Y	Y		Y
4.	Financial/ investment knowledge	Y	Y	Y	Y	Y	Y			Y	Y		Y
5.	Law			Y		Y	Y		Y		Y		
6.	Marketing experience	Y	Y	Y	Y						Y		Y
7.	Information technology	Y	Y	Y	Y	Y	Y				Y		
8.	Developing and implementing risk management systems	Y	Y	Y	Y	Y	Y	Y					
9.	Human resource management experience	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Strategy/ Corporate plan development and implementation	Y	Y	Y	Y	Y	Y						
11.	Directorship experience in other listed companies					Y	Y						
12.	Directorship experience in unlisted companies	Y	Y	Y	Y	Y	Y				Y	Y	
13.	Integrity and high ethical standards	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
14.	Leadership skills	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
15.	Social welfare orientation	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
16.	Experience in government relations	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

Independent Directors

- Being a Central Public Sector Undertaking, the Independent Directors of the Company are appointed by the Ministry of Ports, Shipping and Waterways (MoPSW), Government of India, initially for a term of 3 years or until further orders whichever is earlier. The main terms of appointment can be accessed at <https://cochinshipyard.in/board-of-directors/independent>
- Familiarization programme for Independent Directors generally form part of the Board process. The Independent Directors are updated on an ongoing basis at the Board/ Committee meetings, inter alia, on the following:
 - Nature of industry in which the Company operates;
 - Business environment and operational model of various business divisions of the Company including important developments thereon; and

- Important changes in regulatory framework having impact on the Company.

- Details of the familiarization programme for Independent Directors can be accessed at <https://cochinshipyard.in/board-of-directors/independent>
- In the opinion of the Board, the Independent Directors fulfilled the conditions specified in the SEBI Listing Regulations and were independent of the management during their term of appointment.

Meetings of Independent Directors

- According to Schedule IV to the Companies Act, 2013 a separate meeting of the Independent Directors of the Company was held during the financial year 2022-23 on March 26, 2023 and all the Independent Directors were present in the meeting.

Availability of information to the members of the Board

15. The Board has complete access to any information within the Company and to any employee of the Company. The Board welcomes the presence of executives in the Board meetings, who can provide additional insights into the issues being discussed in the meeting. The information normally required to be placed before the Board include the following:

- (a) To make calls on shareholders in respect of money unpaid on shares.
- (b) To authorize buy-back of securities.
- (c) To issue securities including debentures, in India or abroad.
- (d) To borrow monies.
- (e) To invest funds of the Company.
- (f) To grant loans or give guarantee or provide security in respect of loans.
- (g) To approve financial statement and Board's Report.
- (h) To diversify the business of the Company.
- (i) To approve amalgamation, merger or reconstruction.
- (j) To take over a company or acquire a controlling interest or substantial stake in another company.
- (k) To appoint or remove Key Managerial Personnel (KMP).
- (l) To appoint internal auditor and secretarial auditor.
- (m) General notices of interest of Directors.
- (n) Terms of reference of Board Committees.
- (o) Minutes of meetings of Audit Committee and other Committees of the Board, resolutions passed by circulation and also the minutes of Board meetings of subsidiary companies.
- (p) Annual operating plans of businesses, capital budgets and any updates.
- (q) Quarterly results of the Company and its operating divisions or business segments.
- (r) Declaration of dividend.
- (s) Sale of investments, subsidiaries and assets which are material in nature and not in normal course of business.
- (t) Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material.
- (u) Internal audit findings and external audit reports (through the Audit Committee).
- (v) Status of business risk exposures, its management and related action plans.
- (w) Details of any joint venture or collaboration agreement.
- (x) Show cause, demand, prosecution notices and penalty notices which are materially important.
- (y) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- (z) All policy matters deliberated and introduced for implementation.
- (aa) Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- (bb) Any issue which involves possible public or product liability claims of substantial nature, including any judgment or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- (cc) The information on recruitment and remuneration of senior officers just below the Board level including appointment or removal of Chief Financial Officer and the Company Secretary.
- (dd) Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- (ee) Significant labour problems and their proposed solutions. Any significant development in human resources/industrial relations front like implementation of Voluntary Retirement Scheme (VRS) etc.
- (ff) Capital budgets and any updates.
- (gg) Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- (hh) Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.

Board material distributed in advance

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

Recording Minutes of proceedings at Board and Committee meeting

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

Post Meeting Follow up Mechanism

19. The important decisions taken at the Board/Committee meetings are promptly communicated to the departments/divisions concerned. The status of implementation of major decisions are apprised to the Board/Committee in the ensuing meetings, wherever required.

Compliance

20. The Company Secretary while preparing the agenda notes, minutes etc. of the meeting(s) is responsible for and is

required to ensure adherence to all the applicable laws and regulations including the Companies Act, 2013 read with the Rules issued thereunder and also the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by the Government of India.

Board Committees

21. During the financial year 2022-23, the Board of CSL had five statutory Committees viz., Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility and Sustainable Development Committee, Stakeholders Relationship Committee and Risk Management Committee.

Audit Committee

22. The Audit Committee of CSL was formed on August 21, 2008. Since then the Committee has been reconstituted several times on account of change in Directors and the latest reconstitution was on December 20, 2021.

Terms of reference

23. The following are the terms of reference of the Audit Committee:
 - (i) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 - (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of our Company based on the order of Comptroller & Auditor General of India;
 - (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
 - (iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;

- (d) Significant adjustments made in the financial statements arising out of audit findings;
- (e) Compliance with listing and other legal requirements relating to financial statements;
- (f) Disclosure of any related party transactions; and
- (g) Modified opinion(s) in the draft audit report.
- (v) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (vi) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) Approval or any subsequent modification of transactions of our Company with related parties;
- (ix) Scrutiny of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of our Company, wherever it is necessary;
- (xi) Evaluation of internal financial controls and risk management systems;
- (xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) Discussion with internal auditors of any significant findings and follow up there on;
- (xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) To review the functioning of the whistle blower mechanism;
- (xix) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) Review the following information:
 - (a) Management discussion and analysis of financial condition and results of operations;
 - (b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - (c) Management letters/ letters of internal control weaknesses issued by the statutory auditors;
 - (d) Internal audit reports relating to internal control weaknesses;
 - (e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
 - (f) Statement of deviations:
 - (i) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations;
 - (ii) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of the SEBI Listing Regulations;
- (xxi) To review the follow up action on the audit observations of the C&AG audit;
- (xxii) Recommend the appointment, removal and fixing of remuneration of Cost Auditors and Secretarial Auditors;

- (xxiii) Audit Committee shall also review the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding Rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
- (xxiv) Review of compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, at least once in a financial year;
- (xxv) Verify that the systems for internal control required to be maintained pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended are adequate and are operating effectively; and
- (xxvi) Carrying out any other function as specified by the Board from time to time.
- (c) To obtain outside legal or other professional advice, subject to the approval of the Board of Directors; and
- (d) To secure attendance of outsiders with relevant expertise, if it considers necessary.
25. The recommendations of the Audit Committee on any matter relating to the financial management, including the audit report, shall be binding on the Board.
26. If the Board does not accept the recommendations of the Audit Committee, it shall record the reasons thereof and communicate such reasons to the shareholders.

Constitution

27. As on March 31, 2023, the Audit Committee of CSL comprises of Shri Prithviraj Harichandan (DIN: 01351097), Non-official (Independent) Director as Chairperson, Shri Ashok Sharma (DIN: 09414565), Non-official (Independent) Director and Shri Abhijit Biswas (DIN: 09419083) Non-official (Independent) Director as members.
28. Audit Committee meetings are also attended by Director (Finance), representatives of Secretarial Auditors, Statutory Auditors and Internal Auditors of the Company as invitees. The Internal audit function has been outsourced to a firm of Chartered Accountants. The Company Secretary acts as the Secretary to the Committee.

Powers of the Audit Committee

24. The Committee is entrusted with the following powers:
- To investigate any activity within its terms of reference;
 - To seek information on and from any employee;

Audit Committee meetings held during 2022-23 and attendance

29. The Committee met five times during the year 2022-23. The necessary quorum was present at these meetings. The attendance during these meetings were as follows:

Sl. No.	Name of the Member	2022				2023
		May 20	Aug 10	Oct 14	Nov 10	Feb 10
1.	Shri Prithviraj Harichandan	Y*	Y	N	Y	Y*
2.	Shri Ashok Sharma	Y*	Y*	Y*	Y*	Y
3.	Shri Abhijit Biswas	Y*	Y	Y*	Y*	Y*

* attended through electronic mode.

Nomination & Remuneration Committee

30. The Nomination & Remuneration Committee of CSL was constituted vide Circular Resolution adopted on December 13, 2008. Since then the Committee has been reconstituted several times on account of change in Directors and the latest reconstitution was on January 02, 2023.

Terms of reference

31. Following are the terms of reference of the Nomination & Remuneration Committee:

- (i) Decide on the annual bonus/ performance pay/ variable pay pool and policy for its distribution across the executives and non-unionized supervisors of our Company;
- (ii) Formulation and modification of schemes for providing perks and allowances for officers and non-unionized supervisors;
- (iii) Any new scheme of compensation like medical scheme, pension etc. to officers, non-unionized supervisors and the employees as the case may be; and

- (iv) Exercising such other roles assigned to it by the provisions of the SEBI Listing Regulations and any other laws and their amendments from time to time.

Constitution

32. As on March 31, 2023, the Committee comprises of Shri Ashok Sharma (DIN: 09414565), Non-official (Independent) Director as Chairperson, Shri Biju Prabhakar (DIN: 03093072), Part-time official (Nominee) Director and Shri Abhijit Biswas (DIN: 09419083), Non-official (Independent) Director as members.

Nomination & Remuneration Committee meetings held during 2022-23 and attendance

33. Three meetings of the Nomination & Remuneration Committee were held during 2022-23. The necessary quorum was present at these meetings. The attendance during these meetings were as follows:

Sl. No.	Name of the Member	May 20, 2022	Jul 18, 2022	Aug 10, 2022
1.	Shri Ashok Sharma	Y*	Y*	Y*
2.	Shri Jyothilal K R IAS	N	N	N
3.	Shri Biju Prabhakar	NA	NA	NA
4.	Shri Abhijit Biswas	Y*	Y*	Y

* attended through electronic mode.

NA – Not applicable.

Remuneration Policy

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

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

Sl. No.	Name and Designation	Total of Basic Pay, DA, HRA & other Perks & Allowances	Performance Related Payment (PRP)	Total
1.	Shri Madhu Sankunny Nair Chairman & Managing Director	57.41	25.76	83.17
2.	Shri Bejoy Bhasker Director (Technical)	44.88	20.84	65.72

(₹ Lakhs)

(₹ Lakhs)

Sl. No.	Name and Designation	Total of Basic Pay, DA, HRA & other Perks & Allowances	Performance Related Payment (PRP)	Total
3.	Shri Jose V J Director (Finance)	41.17	19.09	60.26
4.	Shri Sreejith K Narayanan Director (Operations) (w.e.f July 21, 2022)	44.14	12.60	56.74

Notes

- (i) Shri Sreejith K Narayanan was appointed as the Director (Operations) of the Company on July 21, 2022 by the Ministry of Ports, Shipping and Waterways (MoPSW), Government of India vide letter F. No. SY-11012/1/2020-CSL.
- (ii) The PRP mentioned in the above table pertains to the period 2020-21, paid during 2022-23. The PRP paid to the Whole Time Directors is as per the Performance Payment Scheme applicable to all executives and non-unionized supervisors of the Company, framed in line with the DPE Guidelines.
- (iii) The remuneration, tenure and other terms and conditions of appointment of Whole Time Directors are as per the letter issued by the Administrative Ministry (Ministry of Ports, Shipping and Waterways) in line with the government guidelines. The Whole Time Directors are appointed for a period of 5 years with effect from the date of assumption of charge of the post or till the date of superannuation or until further orders whichever event occurs the earliest. Notice period in case of leaving service before the contractual term is 3 months or in the absence of notice period, 3 months' pay may be remitted.
- (iv) During the year, no Stock Options were issued by the Company to Whole Time Directors.

Sitting fees

36. The Non-official (Independent) Directors are paid sitting fees at the rate of ₹25,000/- for every meeting of the Board and ₹20,000/- for every meeting of the Committee. The Part-time official (Nominee) Directors are not paid any remuneration. The criteria for making payment to Non-Executive Directors is available in the Company's website at the following link: <https://cochinshipyard.in/board-of-directors/independent>

37. Sitting fees paid to the Non-official (Independent) Directors for 2022-23 are as follows:

Sl. No.	Name	Fees (in ₹)
1.	Smt. Amrapali Prashant Salve	2,65,000.00
2.	Shri Nahar Singh Maheshwari	2,25,000.00
3.	Shri Ashok Sharma	3,05,000.00
4.	Shri Prithviraj Harichandan	2,25,000.00
5.	Shri Venkatesan M	1,65,000.00
6.	Shri Abhijit Biswas	3,05,000.00

38. Since the Non-official (Independent) Directors are appointed by the President of India, the evaluation of performance of such Directors are also done by the Government of India.

Stakeholders' Relationship Committee

39. The Stakeholders' Relationship Committee of CSL was constituted vide resolution no. 227/08 at the 227th Board Meeting held on September 20, 2016. Since then the Committee has been reconstituted several times on account of change in Directors and the latest reconstitution was on December 20, 2021.

Terms of reference

40. Following are the terms of reference of the Stakeholders Relationship Committee:
- Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
 - Review of measures taken for effective exercise of voting rights by shareholders;
 - Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and

- (iv) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company.

Constitution

41. As on March 31, 2023, the Committee comprises of Shri Venkatesan M (DIN: 07667728), Non-official (Independent) Director as Chairperson, Shri Bejoy Bhasker (DIN: 08103825), Director (Technical) and Shri Jose V J (DIN: 08444440), Director (Finance) as members.

Stakeholders' Relationship Committee meetings held during 2022-23 and attendance

42. One meeting of the Stakeholders' Relationship Committee was held during 2022-23. The necessary quorum was present at this meeting. The attendance during this meeting was as follows:

Sl. No.	Name of the Member	Feb 10, 2023
1.	Shri Venkatesan M	Y
2.	Shri Bejoy Bhasker	Y
3.	Shri Jose V J	Y

Name, designation and address of the Compliance Officer

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

Status of Investor Complaints as on March 31, 2023 reported under Regulation 13(3) of the SEBI Listing Regulations

Complaints as on April 01, 2022	0
Received during the financial year	17
Resolved during the financial year	17
Not solved to the satisfaction of shareholders	0
Pending as on March 31, 2023	0

Risk Management Committee

43. The Risk Management Committee of CSL was constituted in line with the SEBI Listing Regulations on February 08, 2019. Since then the Committee has been reconstituted a few times on account of change in Directors and the latest reconstitution was on October 14, 2022. Prior to the constitution of the Committee, the risks had been periodically reviewed by the Board and the Audit Committee.

Terms of reference

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

Constitution

45. As on March 31, 2023, the Committee comprises of Smt. Amrapali Prashant Salve (DIN: 09415405), Non-official (Independent) Director as Chairperson, Shri Bejoy Bhasker (DIN: 08103825), Director (Technical), Shri Jose V J (DIN: 08444440), Director (Finance) and Shri Sreejith K Narayanan (DIN: 09543968), Director (Operations) as members.

Risk Management Committee meetings held during 2022-23 and attendance

46. Two meetings of the Risk Management Committee were held during the financial year 2022-23. The necessary quorum was present at these meetings. The attendance during these meetings were as follows:

Sl. No.	Name of the Member	Sep 21, 2022	Mar 17, 2023
1.	Smt. Amrapali Prashant Salve	Y*	Y
2.	Shri Bejoy Bhasker	Y	Y
3.	Shri Jose V J	Y	Y
4.	Shri Sreejith K Narayanan	NA	Y

* attended through electronic mode.

NA – Not applicable.

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

47. A sub-committee of the Board was constituted vide resolution no. 181/09 at the 181st meeting of the Board held on September 05, 2008 to decide on the matters relating to Corporate Social Responsibility in CPSEs.
48. The Sustainable Development Committee was constituted at the 197th Board Meeting held on November 23, 2011. The DPE vide OM No.3(9)/2010-DPE(MoU) dated September 23, 2011 has issued detailed guidelines on Sustainable Development in CPSEs.
49. Company decided to merge the Corporate Social Responsibility Committee and Sustainable Development Committee to decide the matters relating to CSR activities in line with the guidelines laid down under Schedule VII of the Companies Act, 2013. Accordingly, the aforesaid two committees were merged into Corporate Social Responsibility & Sustainable Development Committee pursuant to the circular resolution dated March 08, 2013. Since then the Committee has been reconstituted several times on account of change in Directors and the latest reconstitution was on December 20, 2021.

Terms of reference

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

Constitution

51. As on March 31, 2023, the Committee comprises of Shri Nahar Singh Maheshwari (DIN: 09419082), Non-official (Independent) Director as Chairperson, Smt. Amrapali Prashant Salve (DIN: 09415405), Non-official (Independent) Director, Shri Bejoy Bhasker (DIN: 08103825), Director (Technical) and Shri Jose V J (DIN: 08444440), Director (Finance) as members.

CSR & SD Committee meetings held during 2022-23 and attendance

52. Four meetings of CSR & SD Committee were held during the year 2022-23. The necessary quorum was present at these meetings. The attendance during these meetings were as follows:

Sl. No.	Name of Director	2022			2023
		May 20	Jul 18	Nov 09	Feb 10
1.	Shri Nahar Singh Maheshwari	Y	Y	Y	Y
2.	Smt. Amrapali Prashant Salve	Y	Y	Y	Y
3.	Shri Bejoy Bhasker	Y	Y	Y	Y
4.	Shri Jose V J	Y	Y	Y	Y

General Body Meetings

53. The date, time and venue of the last three Annual General Meetings are given below:

Year	Date	Time	Venue	Special resolution passed
2021-22	Sep 29, 2022	11:00 hrs.	Not Applicable since the meeting was held through electronic mode	7
2020-21	Sep 29, 2021	11:00 hrs.	Not Applicable since the meeting was held through electronic mode	Nil
2019-20	Sep 29, 2020	11:00 hrs.	Not Applicable since the meeting was held through electronic mode	3

Postal Ballot

54. During the financial year 2022-23, no resolution was put through by postal ballot.
55. None of the business proposed to be transacted in the ensuing AGM requires the passing of a special resolution by way of postal ballot.

Means of Communication

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

Quarter/ half-year/ year	In the month of
Quarter ending June 30, 2022	August
Quarter/ half-year ending September 30, 2022	November
Quarter ending December 31, 2022	February
Year ending March 31, 2023	May

58. Quarterly/ half-yearly/ annual results, notices and information relating to General Meetings, etc. are published in leading newspapers viz., Business Line/ Business Standard (all editions), Mathrubhumi (Kochi edition) and Jansatta (all editions) and are notified to the Stock Exchanges as required under the SEBI Listing Regulations.
59. The quarterly/ half-yearly/ annual financial results and other communication to shareholders and Stock Exchanges, inter alia including presentations to institutional investors & analysts, press releases etc., are made available in the Company's website www.cochinshipyard.in under 'INVESTORS' section. They are also filed with the National Stock Exchange of India Limited (NSE) through NSE Electronic Application Processing System (NEAPS) and with BSE Limited (BSE) through BSE online portal.

General Shareholder Information

60. Annual General Meeting for FY 2023

Date	Time	Venue
Sep 28, 2023	11:00 hrs.	Not Applicable since the meeting is being held through electronic mode

61. Financial Year: April 01, 2022 to March 31, 2023.

Dividend Payment

62. The final dividend for the year ended March 31, 2023 if approved at the AGM, will be paid, subject to deduction of tax at source, on or before Friday, October 27, 2023. The Company will be making the dividend payment by electronic mode wherever possible and by dividend warrants/ demand drafts in other cases.
63. The particulars of total dividend declared in the previous three financial years are given below:

Financial Year	Final Dividend	Interim Dividend	
2022-23	3.00	01st 7.00	02nd 7.00
2021-22	3.75	01st 6.00	02nd 7.00
2020-21	2.50	01st 9.00	02nd 4.00

Listing of shares and stock code

64. The Company's equity shares are listed at the following Stock Exchanges and listing fees for the year 2022-23 has been paid to the Stock Exchanges.

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

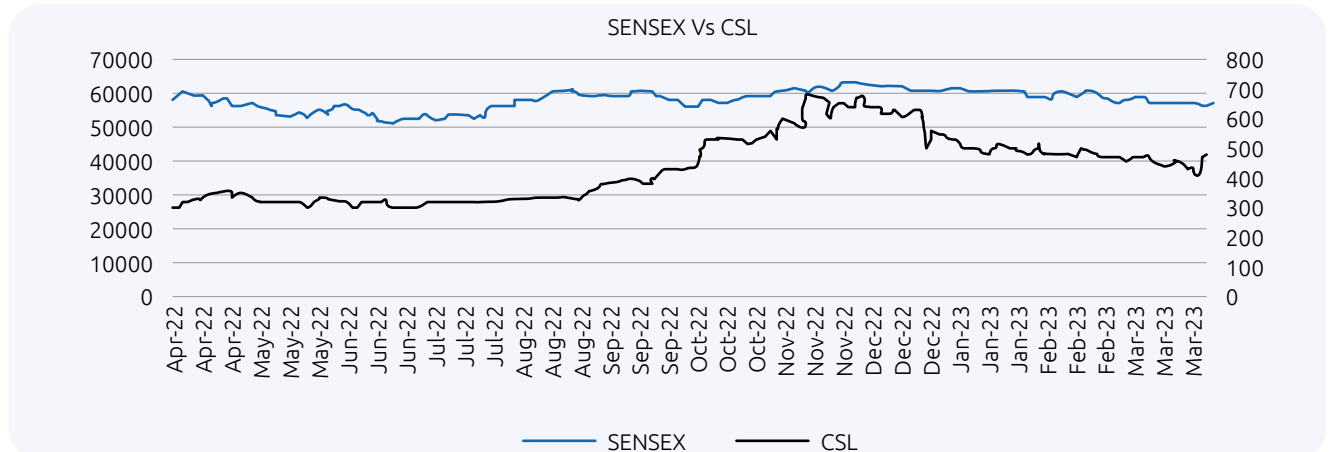
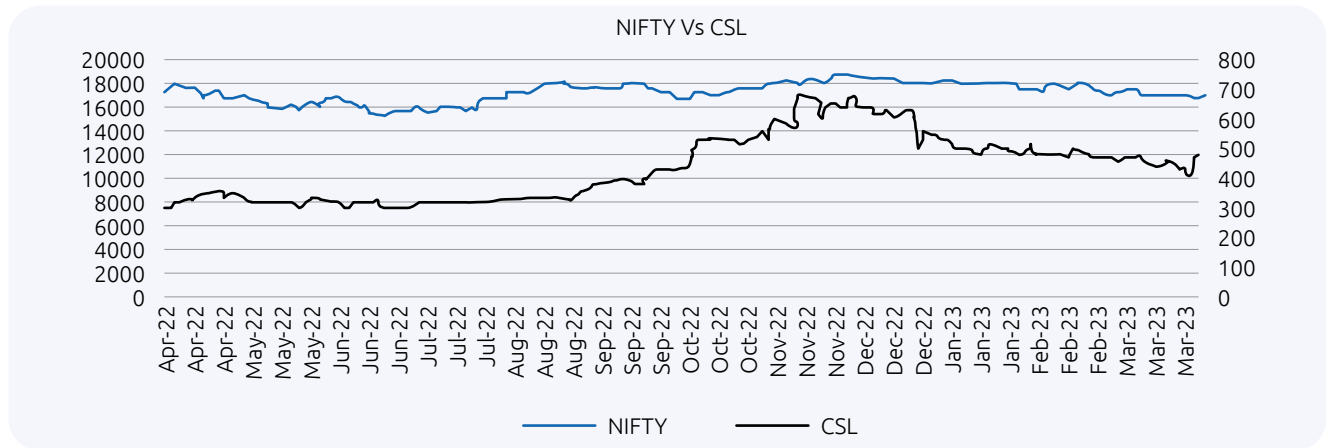
65. The International Securities Identification Number (ISIN) for the Company’s shares is INE704P01017.

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

Price and volume of shares traded

Month/ Year	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Volume (Nos. in Lakhs)	High (₹)	Low (₹)	Volume (Nos. in Lakhs)
Apr 2022	357.60	295.05	8.93	357.90	294.65	89.58
May 2022	349.70	300.20	3.56	349.90	300.10	35.06
Jun 2022	337.20	296.45	2.91	337.40	297.00	30.18
Jul 2022	333.95	307.30	1.23	334.00	307.15	15.71
Aug 2022	388.15	328.05	6.13	388.00	328.15	92.29
Sep 2022	444.45	370.20	19.10	444.80	371.20	279.87
Oct 2022	567.90	437.00	30.25	568.00	435.10	531.32
Nov 2022	684.00	535.40	33.64	684.40	538.65	636.16
Dec 2022	686.80	491.85	21.67	687.00	491.80	346.50
Jan 2023	547.15	468.45	9.99	546.95	468.40	171.65
Feb 2023	522.55	450.00	7.77	522.45	450.00	107.04
Mar 2023	496.10	411.00	8.16	496.70	410.40	137.27

Performance in comparison to broad based indices



Details of securities suspended

Not applicable.

Registrar and Transfer Agents (RTA)

Link Intime India Private Limited

Surya, 35, Mayflower Avenue
Behind Senthil Nagar
Sowripalayam Road, Coimbatore
Tamil Nadu – 641 028
Tel: +91 (422) 2315792; Fax: +91 (422) 2314792
E-mail: coimbatore@linkintime.co.in

Share Transfer System

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

Distribution of Shareholding

68. Distribution of shareholding based on number of folios as on March 31, 2023.

No. of shares held	Members		Shares	
	No.	%	No.	%
1-500	166764	97.04	8720088	6.63
501-1000	2823	1.64	2185042	1.66
1001-2000	1213	0.71	1802677	1.37
2001-3000	352	0.20	897728	0.68
3001-4000	161	0.09	576966	0.44
4001-5000	131	0.08	611898	0.47
5001-10000	179	0.10	1327101	1.01
>10000	221	0.13	115418890	87.74
Total	171844	100.00	131540390	100.00

Dematerialization of shares and liquidity

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

Percentage of shares held in

Physical form :	0.00
Electronic form with NSDL :	89.84
Electronic form with CDSL :	10.16

70. The Company's equity shares are regularly traded on the BSE and NSE.

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

None.

Foreign exchange risk and hedging of activities

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

72. The Company is also keeping a constant watch on the forex market fluctuations and has been exploring various options of foreign currency borrowings like buyer's credit etc. as part of effective working capital management. Status of the forex exposure and the hedging position is reviewed by the Audit Committee, Risk Management Committee and the Board.

Plant Locations

- Shipbuilding & Ship Repair facility at Perumanoor, Ernakulam District, Kochi – 682 015
- International Ship Repair facility at Cochin Port Trust, Willingdon Island, Kochi – 682009
- Ship repair facility at Indira Dock, Mumbai
- Ship repair facility at Netaji Subhas Dock, Kolkata
- Ship repair facility at Marine Dockyard, Port Blair

Address for Correspondence

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

Credit Ratings

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

Other Disclosures

Related Party Transactions

73. During the year under review, there were no materially significant related party transactions that had or may have conflict with the interest of the Company at large. The Company has a policy for related party transactions, which can be accessed at the following link: https://cochinshipyard.in/investor/investor_titles/68

Non-compliance by the Company

74. During the last three years the Stock Exchanges had imposed fines on the Company for non-compliance with respect to the Minimum Public Shareholding (MPS) requirements, non-appointment of Independent Directors including a Woman Director and the consequent non-compliances including, non-constitution of statutory committees namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee. National Stock Exchange of India Limited (NSE) has waived the fines levied based on the representations made by the Company. BSE Limited (BSE) has waived the fines levied except on account of non-compliance with respect to the Corporate Governance requirements for the financial year 2021-22, for which the Company has filed the representations. The reply in this regard is awaited. Apart from the above, no penalties/ strictures have been imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other statutory authority on any matter relating to capital markets during the last three years.

Vigil Mechanism and Whistle Blower Policy

75. Cochin Shipyard has adopted a Whistle Blower Policy approved by the Board at its 198th meeting held on February 22, 2012. Cochin Shipyard is a Government of India undertaking and follows Government guidelines on reporting of any illegal or unethical practices. Directors/ employees/ stakeholders/ representative bodies of employees are given freedom to report to their immediate Supervisor/ Chief Vigilance Officer or Chairman & Managing Director, details of any violation of rules, regulations and unethical conduct. The Directors and Senior Management are bound to maintain confidentiality of such reporting and ensure that the whistle blowers are afforded protection against any harassment and not subjected to any discriminatory practices. During the period under report no personnel has been denied access to the Audit Committee. The Board in its 228th meeting held on December 14, 2016 amended its Whistle Blower Policy. Further, in line with the guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, CSL had adopted Fraud Prevention and Detection Policy at the 214th Board Meeting held on September 16, 2014. Since the larger objective of both policies was similar, CSL adopted a combined policy viz., Whistle Blower and Fraud Prevention Policy at the 252nd Board Meeting held on November 12, 2019. The said policy is available in the website of the Company at https://cochinshipyard.in/investor/investor_titles/68

Code of Conduct for Prevention of Insider Trading

76. The Company has in place a Code of Conduct for Prevention of Insider Trading in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines, which advise on procedures to be followed and disclosures to be made, while dealing with the shares of the Company, and cautioning them of the consequences of violations. The Code of Conduct for Prevention of Insider Trading is hosted on the website of the Company and can be accessed at https://cochinshipyard.in/investor/investor_titles/68

Mandatory Requirements

77. A comprehensive report on the status of compliance with all the applicable corporate laws, rules and regulations by the Company is placed before the Board on a quarterly basis for their information and review. The Company has complied with all the mandatory requirements of the Code of Corporate Governance as specified in Regulations 17 to 27 and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

Non-Mandatory Requirements

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

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

Subsidiary Company

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

80. Hooghly Cochin Shipyard Limited (HCSL) is a wholly owned subsidiary company of Cochin Shipyard Limited (CSL) which was incorporated as Joint Venture Company on October 23, 2017, venturing with Hooghly Dock & Port Engineers Limited. However, since November 01, 2019, HCSL is a

wholly owned subsidiary of CSL. Further, the Company has taken over Tebma Shipyards Limited (TSL) through the statutory insolvency resolution process with effect from September 15, 2020. Accordingly, TSL has become a wholly owned subsidiary of CSL with effect from September 15, 2020. Subsequently, with effect from April 22, 2022 the name of TSL was changed to Udupi Cochin Shipyard Limited (UCSL).

81. Pursuant to the explanation under Regulation 16(1) (c) of the SEBI Listing Regulations, the Company has formulated a policy for determining 'material subsidiaries' which is disclosed on the Company's website at https://cochinshipyard.in/investor/investor_titles/68

Details of compliance with the requirement of Corporate Governance guidelines

82. In terms of Listing Regulations and DPE Guidelines on Corporate Governance certificate regarding Compliance of Corporate Governance Guidelines from Practicing Company Secretary is placed at Annexure I to this report.

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

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

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

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

86. The administrative and office expenditure of the Company for the year 2022-23 was 2.59% of the total expenditure as against 1.73% in 2021-22. Financial expenditure stood at 1.57% of the total expenditure in 2022-23, against 1.75% in the previous year.

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

88. The Company has paid an amount of ₹29 Lakhs to M/s. Anand & Ponnappan, Statutory Auditors for the services provided to the Company and its subsidiaries.

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

(a) Number of complaints filed during the financial year 2022-23	Nil
(b) Number of complaints disposed of during the financial year 2022-23	Nil
(c) Number of complaints pending as on the end of financial year 2022-23	Nil

Code of Conduct

89. The Board has prescribed a Code of Conduct ('Code') for all the Board members and Senior Management of the Company. All Board members and Senior Management personnel have confirmed compliance with the Code for the year 2022-23. The Code is hosted on the website of the Company and can be accessed at https://cochinshipyard.in/investor/investor_titles/68

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

I hereby declare that all the members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code of Conduct of the Board of Directors and Senior Management personnel in respect of the financial year 2022-23.

Madhu Sankunny Nair
Chairman & Managing Director
DIN: 07376798

CEO/ CFO Certification

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

Risk Management Process

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

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

(ii) Risk Management Policy:

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

(b) To identify risks and its mitigation.

(c) Risk management process to be standardized.

(d) Facilitate sharing of risk information.

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

Risk Management System and Structure

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

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

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

(a) Total exposure of the listed entity to commodities in INR: ₹36.41 Crores.

(b) Exposure of the listed entity to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
Steel	₹36.41 Crores	4064.27 Tonnes	-	-	-	-	-

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

Shareholding pattern

97. The Company has issued 13,15,40,390 equity shares of ₹10/- each, details of which as on March 31, 2023 are as follows:

Category of share holders	Number of share holders	Total number of shares	Percentage (%)
Central Government	1	95843464	72.8624
Clearing Members	53	29180	0.0222
Other Bodies Corporate	482	1684036	1.2802
Directors & Key Managerial Personnel	3	1911	0.0015
Hindu Undivided Family	4195	693853	0.5275
Mutual Funds	12	3041042	2.3119
Non-Nationalised Banks	2	1610	0.0012
Non-Resident Indians	2334	1473158	1.1199
Non-Resident (Non Repatriable)	1361	329624	0.2506
Public	163218	18069310	13.7367
Trusts	4	6883	0.0052
Insurance Companies	6	1900091	1.4445
Body Corporate – Limited Liability Partnership	37	152540	0.1160
Foreign Portfolio Investors (Individual)	5	4875	0.0037
Foreign Portfolio Investors (Corporate)	126	8261803	6.2808
NBFCs registered with RBI	4	7010	0.0053
Alternate Investment Funds – III	1	40000	0.0304
Total	171844	131540390	100.0000

Means of Communication

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

Audit Qualifications

99. The Report submitted by M/s. Anand & Ponnappan, Statutory Auditors of the Company does not contain any qualification, reservation or adverse remark or disclaimer.

100. The Report submitted by M/s. Mehta & Mehta, Secretarial Auditors of the Company does not contain any qualification, reservation or adverse remark or disclaimer.

Training Board Members

101. The Board members of CSL are senior executives who have a very vast, wide and varied experience in the areas of education, industry, defence, management, human resource management and administration. CSL has benefited from their vision and knowledge. Presentations are made to the Board members on the Company's performance, business model, corporate plan and future outlook, on their induction in the Board. In addition, at the Board/Committee/ other meetings, detailed presentations are made by the senior management personnel/ professionals/

consultants on business related issues, risk assessment, risk policy etc. The Directors are encouraged to identify and attend specific training programmes to improve their effectiveness. Further, the newly appointed Independent Directors are nominated for structured training programs organized by the DPE. The Board has also adopted a policy regarding training of Directors.

For and on behalf of the Board of Directors

Madhu Sankunny Nair

Chairman & Managing Director

DIN: 07376798

Kochi

May 19, 2023

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Cochin Shipyard Limited

We have examined the compliance of conditions of Corporate Governance by **Cochin Shipyard Limited** (hereinafter referred as "Company") for the Financial Year ended March 31, 2023, as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "SEBI LODR Regulations").

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

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

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

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

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

Arun K Kamalobhavan

Partner

FCS No.: 9609

CP No. : 11657

Place: Cochin

Date: 19/05/2023

UDIN: F009609E000334681

PR No.: 786/2020

CERTIFICATE ON CORPORATE GOVERNANCE

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

To,
The Members,
Cochin Shipyard Limited

We have examined the compliance of conditions of Corporate Governance by **Cochin Shipyard Limited** (hereinafter referred as "Company") for the Financial year ended March 31, 2023, as stipulated under Clause 8.2.1 of Guidelines on Corporate Governance for Central Public Sector Enterprises 2010 ("CPSEs") issued by Department of Public Enterprises ("DPE"), Ministry of Heavy Industries and Public Enterprises, Government of India.

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

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned guidelines.

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

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

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

Arun K Kamalobhavan

Partner

FCS No.: 9609

CP No. : 11657

Place: Cochin

Date: 19/05/2023

UDIN: F009609E000334648

PR No.: 786/2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of appointment in Company
1.	Madhu Sankunny Nair	07376798	01/01/2016
2.	Bejoy Bhasker	08103825	05/04/2018
3.	Valiyaparambil Jacob Jose	08444440	01/08/2019
4.	Sreejith Katayamkot Narayanan	09543968	21/07/2022
5.	Rajesh Kumar Sinha	05351383	21/11/2022
6.	Biju Prabhakar	03093072	02/01/2023
7.	Prithiviraj Harichandan	01351097	22/11/2021
8.	Mani Venkatesan	07667728	22/11/2021
9.	Ashok Kumar Sharma	09414565	26/11/2021
10.	Amrapali Salve	09415405	26/11/2021
11.	Nahar Singh Maheshwari	09419082	01/12/2021
12.	Abhijit Biswas	09419083	01/12/2021

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

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

Arun K Kamalobhavan

Partner

FCS No.: 9609

CP No. : 11657

Place: Cochin

Date: 19/05/2023

UDIN: F009609E000334725

PR No.: 786/2020

ANNEXURE III

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

Dear Sirs,

CEO/ CFO Certificate

1. We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent or illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies, if any.
4. We have indicated to the Auditors and the Audit Committee that:
 - (i) There has not been any significant change in internal control over financial reporting during the year;
 - (ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - (iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.
5. We further certify that the funds disbursed for Corporate Social Responsibility (CSR) activities have been utilised by the Company for the purposes and in the manner as approved by the Board of Directors from time to time and also in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Rules made there under.

Kochi
May 19, 2023

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

Madhu Sankunny Nair
Chairman & Managing Director
DIN: 07376798

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 and comply with the Accounting Standards specified under Section 133 of the Act. The Company has used estimates and judgements relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the state of affairs for the year.
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.

Shipbuilding Industry

Global Shipbuilding Industry

3. Global economic activity experienced a general slowdown with inflation reaching levels not seen for several decades. Conflict Russia/ Ukraine and the lingering effects of the COVID-19 pandemic including regular, localized lockdowns in China all weighed heavily on the global macroeconomic backdrop. Accordingly, after a deep recession in 2020

(-3%), a spectacular rebound in 2021 (+6%), global growth slowed down in 2022 to 3.2% and is expected to decelerate further to 2.7% in 2023. The overall world merchandise exports increased more than 3.5% in 2022 compared to 2021 which translates to more cargo volumes for the sea transportation.

4. 2022 had been a good year for the shipbuilding industry and saw about 89 m dwt (1,447 ships) of new orders placed, which was slightly above deliveries (78.5 m dwt). Last year's orders help to extend the order book of major yards into 2025, thereby maintaining the three-year horizon beyond which both ship-owners and shipbuilders feel uncomfortable to commit. The container ships order books hit 10 year high last year with most orders booked by Korean and Chinese yards.
5. As a consequence of this firm shipbuilding activity, new building prices continued to steadily increase, following the trend which began in 2021. They only started to run out of steam in the last quarter of the year when they plateaued, although, as always, this depended on the type and size of vessels ordered.
6. The three Asian shipbuilding giants China, Korea and Japan together accounting for about 95% of the global order-book by deadweight, continued to fight fiercely while trying to focus their efforts on high value transaction. The order book of India was negligible with the total order book accounts for 30 ships with GRT less than 0.5 Million. Consolidation has been an ongoing process, as the number of shipyards dropped steeply from about 700 in 2007 to about 300 by 2022. This saw the active global shipbuilding capacity contract so that about 1,200 to 1,300 vessels can currently be built and delivered annually compared with the capacity for the construction and delivery of 2,000 vessels per annum in the years 2005 to 2010.
7. However, the fleet growth continued below 3% by dwt vs. 4.1% ten year average, due to lower order intakes in the past years. The new building investment is skewed towards container (\$42bn) and gas (\$21.6bn) in traditional shipbuilding segments. The focus on "Green & Tech" ships in post-COVID planning intensified, with decarbonisation as the major talk point across maritime segments.

8. Fitch Ratings has revised its outlook for shipping to “deteriorating” from “neutral”, reflecting the challenges facing shipping mainly in Container Shipping. The main risks include the potential for a harsher recession than expected and the continuation trade restrictions and political conflicts, pandemic-related lockdowns in China etc., that could lead to further weakness in demand and manufacturing.
9. The overall new shipbuilding prices on an average rose over 30% and is still on the upward trend but at the same time may not result in better profits for the yards as the inflationary levels of various major commodity costs such as power, petroleum products, steel, copper, aluminium etc., persisting and thus eroding the profit margins.

Main Theme of the year – Transition towards Green Shipping/ Low-carbon Shipping

10. To accelerate efforts on climate change mitigation, the IMO has started work on a revised GHG Strategy for consideration in 2023, as well as on mid-term measures, including some that are market-based. In addition, there are proposals to establish an International Maritime Research and Development Board, and a related fund which could finance the development of zero-GHG technologies to be available to all countries. Other proposals for market-based measures include the use of generated funds for financing climate change adaptation investments, especially in the most vulnerable economies. At the EU level, regulatory proposals are under consideration to extend the EU Emission Trading Scheme to maritime transport activities; if and when adopted, these could have potentially important implications for both intra and extra EU trade. With developments at IMO and the EU amongst others, the regulatory and policy framework being evolved reflects in 34% of new build orders (by GT) is with alternative fuelled technology. Developments in International Maritime Organization (IMO) or EU emissions regulations could affect the medium-term outlook for cost structures or the earnings capacity of some shipping segments. The fillip due to the prospects of large ageing fleet replacements and new regulatory restrictions generated great interest and likely to impact positively on long term basis driving new ship acquisition investments. CSL is strongly engaged in this segment and with the completion of pioneering project of two nos. of Autonomous Electric Vessels for ASKO Maritime AS, Norway, CSL is ready with the offerings of various types of advanced green technology vessels with low emission, which would be ideally suited for the short sea, Inland Waterways and coastal shipping. CSL was successful in bagging orders from European clients for construction of new generation green technology vessels. This is a sunrise segment opening multiple opportunities for the Company.

Indian Shipbuilding Industry and Government Initiatives

11. The healthy order book positions in the international market resulted in build-up of enquiries to Indian yards. But with the diminished capacity due to collapse of many private shipyards and with no shipbuilding financing mechanism in place, India still is not considered as a serious contender in the main merchant fleet ships. However, on the smaller short sea market, the country could make some inroads with some overseas contracts bagged by Indian yards.
12. The published vision document of Ministry of Ports, Shipping and Waterways (MoPSW), ‘Maritime India Vision 2030 (MIV 2030)’ has put ambitious targets and if this needs to be achieved, then more accelerated and co-ordinated efforts have to be put in.
13. The Ship Building Financial Assistance (SBFA) policy provides some assistance for the Indian yards to be in the level playing field to compete with International market. Similarly, the new policy towards the chartering/ procurement of tugs (2020) also has resulted in interest building up for the construction of harbour tugs in Indian yards. The new DG Shipping order to put a restriction of the operation of older vessels in Indian coast as well as acquisition of older vessels above 20 years to Indian flag will have an impact on the scrapping of older tonnage and replacement with new acquisitions.
14. Vision 2030 envisaged action plan to make India one of the top 10 shipbuilding nations in the world needs further build up towards initiatives such as channelizing the cargo to improve demand, improving the ecosystem for ancillary industries, generate standardised designs for better productivity, Governmental interventions to create level playing fields to make the industry competitive in International arena etc. The proposed creation of a Maritime Development Fund to provide easy access to working capital and long-term finance needs across marine sectors is yet to be implemented which otherwise can give access to Indian ship owners to improve their capacity and shipyards to improve the infrastructure.

Some Key Sectors focused by CSL

Defence Shipbuilding

15. The shipbuilding industry is dependent on the defence requirements and CSL concluded the largest ship building contract for the construction of six (6) nos. of Next Generation Missile Vessels (NGMV) for the Indian Navy thus adding good order book value to the Company.

Short sea/ Coastal and Inland

16. Hooghly Cochin Shipyard Limited (HCSL), the wholly owned subsidiary of the Company in West Bengal is fully operational and bagged orders in this segment. The Company is fully focussed and equipped to tap this potential segment.
17. The new transition of the ships towards zero carbon emissions drive the market to embrace new technologies and use of alternate fuels, electric vessels, autonomous vessels etc., in line with the new hydrogen policy announced by the government in 2021. The Company's pilot project of a hydrogen fuel cell powered catamaran boat project is progressing well and expected to complete its tests and trials in the coming months. Once successful, similar projects can be undertaken and it is expected to generate huge demand.
18. The new generation vessels with alternate fuels and green technologies are indicating huge potential in the replacement market of ageing short sea European shipping segment. Company was successful in bagging such projects with innovative technologies to meet the new regulations.

Tugs, Dredgers and Port Craft

19. The Government is focussed on improving the port and inland water infrastructure. This enhances the opportunity for the Indian yards to participate in this market with improved demands. The contract signed by the Company to build the country's largest Trailer Suction Hopper Dredger (TSHD) of 12000 cubic metres for Dredging Corporation of India (DCI) in partnership with the market leader IHC, Netherlands is a major milestone in this market and can bring more such projects in the future.
20. The policy of the Ministry of Ports, Shipping and Waterways (MoPSW), which stipulates all the service requirement of Tugs for the major ports to be reserved to Indian Built Indian Flag Tugs only continued to show improved demand for the building of harbour tugs and the Company through its wholly owned subsidiary Udipi Cochin Shipyard Limited (UCSL) won one more new contract for building 2 Tugs indicating further growth.

Offshore Wind Segment

21. The renewable energy mix in the overall power generation is expected to increase exponentially in the world energy segment due to the compelling reasons to meet the sustainable non fossil green energy mix targets. Huge investments are happening around the globe for creating large offshore wind farm infrastructure in deep ocean. This translates to greater demand for various types of vessels to support the development, operations and maintenance

of infrastructure for offshore wind farms. The Company with proven track record on building offshore support ships for oil and gas in the past gives a good advantage to seamlessly penetrate this market. With focussed attention, Company managed to enter this high potential market by bagging a prestigious contract to build two (2) nos. of high end Construction Support Operation Vessels (CSOV) with an option for four (4) more such vessels from an European client.

Fishing Segment

22. The 'Pradhan Mantri Matsya Sampada Yojana (PMMSY)' could generate moderate interest and the Company through its wholly owned subsidiary Udipi Cochin Shipyard Limited (UCSL) delivered ten vessels in this segment. Company is expecting more attention on this segment with various coastal states showing interest and thus could bring in the momentum to the segment which can have a larger economic impact to the fishing community.

Ship Repair Industry

India & the Global Ship Repair Industry

23. Global ship repair market is currently dominated by shipyards in China, Singapore, Korea and Middle East largely due to the availability of skilled workforce and latest technology. The global market for ship repair and maintenance service is expected to witness significant growth, reaching a market value of USD 40 Billion by 2030 supported by developments in the markets in South East Asia and India. Though India's share in global ship repair is currently less than 1%, the country is favourably located in respect of the major trade routes / shipping routes with 7 to 9% of the global trade passing within 300 NM of the coastline. Additionally, India is poised well to offer repair services to Indian Navy and the allies US Navy for its 5th and 7th fleet deployed in Indian ocean & Arabian sea.
24. Ship repair industry being labour intensive, India has got the advantage of having strong work force to cater for the requirement. However, the untapped potential in the Indian ship repair market can be attributed to the presence of competing international ship repair yards on major trade routes and a capability gap of Indian yards in repairing certain kinds of vessels. Other reasons of cost disadvantages include high cost of financing, lack of supply of ship spares in India, ancillary support and technology related issues increasing ship repair execution cycle time.
25. To address the above gaps, under MIV 2030, Government of India is giving a strong forward thrust to the industry with multiple initiatives including channelising of domestic

demands leveraging 'AatmaNirbhar Bharat' Policy, infrastructure development through better access to financial instruments, providing better opportunities for overall development and enhanced business in the Industry by creating free trade depots, maritime clusters etc.

26. CSL Ship repair business has grown leaps and bounds. In addition to the ship repair facilities at Kochi, the Company has also established ship repair units at Mumbai, Kolkata and Port Blair. The Ship Repair Division is focusing on increased business volumes. The Yard is also focussing on entering new areas of ship repair market such as weapons platforms, offshore fabrications, conversions etc.

CSL initiatives in Ship repair

27. CSL is in the final phase of completion of work at International Ship Repair Facility (ISRF) at Willingdon Island, Kochi which would host a state-of-the-art Ship Lift System with six independent work stations. This new greenfield facility, in close proximity to the Southern Naval Command in Kochi is scheduled to be up and running shortly and would be capable of accommodating vessels up to 130 Mtrs. length & 6000 T displacement. The Yard is also setting up a new dry-dock within its main premises at Kochi to cater for the shipbuilding and ship repair activity which includes building of larger capacity vessels and repair to offshore rigs. CSL has also expanded its foot prints across the Indian coast by setting up ship repair units at Mumbai, Kolkata and Port Blair to cater to the demand in ship repair segment.
28. With GOI, MIV 2030 in place and fuelled with various initiatives including MoPSW's initiative for setting up of

ship repair clusters in India, CSL is well poised for vibrant ship repair business times in the future.

Operations

29. The total turnover of the Company is ₹2330.46 Crores as against the previous year of ₹3190.00 Crores. The shipbuilding income during the year is ₹1766.45 Crores as against the previous year income of ₹2511.48 Crores. The ship repair income during the year is ₹564.01 Crores as against the previous year income of ₹678.52 Crores. During the year 2022-23, CSL delivered the first indigenously built Aircraft Carrier, INS Vikrant to the Indian Navy. INS Vikrant was commissioned into the services of the Indian Navy by the Hon'ble Prime Minister of India, Shri Narendra Modi on September 02, 2022 in a grand event organised in CSL, Kochi. Further, CSL delivered two nos. of Autonomous Electric Vessels, viz., "Marit" & "Theres", for Norway based ASKO Maritime AS. The 67 Mtr. Long vessels were delivered as Full-Electric Transport Ferries powered by 1846 kWh capacity battery. Further, CSL delivered one no. of 500 Pax vessel viz., "Nalanda" for Andaman and Nicobar Administration. CSL had also delivered the third and final lot of three Floating Border Out-Post (FBOPs) vessels out of nine FBOPs built for Ministry of Home Affairs, Government of India. Furthermore, CSL had also successfully delivered seven nos. of Hybrid Electric Catamaran Hull vessels to Kochi Metro Rail Limited (KMRL). During the financial year 2022-23, the Company delivered a total of fourteen vessels under defence as well as commercial segments.

Financial Information

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

(Amount in ₹ Crores unless otherwise stated)

Year	Paid up capital	Nominal value of shares (₹ per share)	Capital employed	Net worth	Profit Before Tax	Tax on Profits	Net Profits	EPS (₹)	Dividend	Payout ratio
22-23	131.54	10	4480.05	4423.42	448.51	114.02	334.49	25.43	223.62	0.67
21-22	131.54	10	4355.75	4359.18	794.39	207.82	586.57	44.59	220.33	0.38
20-21	131.54	10	3964.27	3977.57	810.59	200.49	610.10	46.38	203.89	0.33
19-20	131.54	10	3748.78	3731.80	863.43	225.74	637.69	48.48	218.75	0.34
18-19	131.54	10	3327.72	3332.08	751.38	270.20	481.18	35.72	171.00	0.35
17-18	135.94	10	3271.03	3255.87	604.86	208.11	396.75	31.03	163.12	0.41
16-17	113.28	10	2062.02	2028.58	493.40	171.85	321.55	28.39	101.61	0.32
15-16	113.28	10	1749.31	1814.33	419.65	145.86	273.79	24.07	86.65	0.32
14-15	113.28	10	1585.68	1561.07	367.56	132.49	235.07	20.75	16.99	0.07
13-14	113.28	10	1401.52	1352.53	290.96	96.71	194.24	17.15	16.99	0.08

Key Financial Ratios

Sl. No.	Particulars	FY 2022-23	FY 2021-22	Change (in %) as compared to FY 2021-22	Detailed explanation for change of 25% or more
1.	Debtors Turnover	4.75	6.72	29.32	Due to reduction in Net credit sales
2.	Inventory Turnover	7.30	8.76	16.72	NA
3.	Interest Coverage	14.29	18.09	-21.00	NA
4.	Current Ratio	1.39	1.69	17.82	NA
5.	Debt Equity Ratio	0.03	0.03	-	NA
6.	Operating Profit Margin (%)	18.04	26.36	31.56	Due to reduction in Profit before tax
7.	Net Profit Margin (%)	14.35	18.39	21.94	NA

Return on Net Worth

Particulars	FY 2022-23	FY 2021-22	Change (in %) as compared to FY 2021-22	Detailed explanation for change
Return on Networth (%)	7.56	13.46	-43.83	Due to reduction in Net profit after taxes

Proposed / Declared Dividend

31. As per Office Memorandum F.No.5/2/2016-Policy dated May 27, 2016 issued by Department of Investment and Public Asset Management (DIPAM), every CPSE have to pay a minimum annual dividend of 30% of PAT or 5% of the net-worth, whichever is higher. Accordingly, your Directors are pleased to recommend a final dividend of ₹3/- per share on the 13,15,40,390 fully paid equity shares of ₹10/- each. Earlier, interim dividends of ₹7/- each, aggregating to ₹14/- per equity share had been paid to the shareholders during 2022-23. Thus, the total dividend for the year 2022-23 is ₹17/- per equity share (170%), amounting to ₹223.62 Crores.

Segment-wise/ Product-wise Performance

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

(₹ Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Segment Assets		
Shipbuilding	405583.60	251516.16
Ship Repair	282191.99	287038.89
Unallocated	303128.91	293292.23
Total	990904.50	831847.28
Segment Liabilities		
Shipbuilding	315680.43	155888.80
Ship Repair	48998.81	64318.72
Unallocated	183883.39	175721.79
Total	548562.63	395929.31
Segment Revenue		
Shipbuilding	176645.19	251148.16
Ship Repair	56400.69	67852.09
Unallocated	20648.88	26641.68
Total	253694.76	345641.93

Particulars	(₹ Lakhs)	
	As at 31.03.2023	As at 31.03.2022
Segment Result		
Shipbuilding	20777.90	57749.03
Ship Repair	9548.18	12041.89
Unallocated	14524.58	9648.14
Total	44850.66	79439.06

33. The Company has two major business segments - "shipbuilding" and "ship repair". Revenue under shipbuilding includes ₹155800.89 Lakhs (previous year: ₹204473.56 Lakhs) from one customer (previous year: one customer) having more than 10% revenue of the total revenue, and for ship repair includes ₹193571.56 Lakhs (previous year: ₹40786.31 Lakhs) from two customers (previous year: two customers) having more than 10% revenue of the total revenue.

SWOT

Strengths:

- Highly trained, motivated and knowledgeable manpower with an average of 15 years of experience at all levels of hierarchy resulting in extremely high quality workmanship;
- 'State-of-the-art' facilities with well planned and laid out shipyard enabling smooth work flow and efficient production;
- Shipyards at multiple locations (7 facilities), thus providing more flexibility to meet the market demands;
- A modern 'state-of-the-art' design centre manned by highly trained, experienced and competent naval architects/engineers, draftsman etc;
- Highly evolved shipbuilding processes and practices permitting modular construction of ships;
- A very good product mix compatibility comprising of defence ships, commercial ships and offshore ships;
- Availability of quality sub-contractors and good supply chain network.

Weaknesses:

- Virtually non-existent indigenous ancillary industries and consequently non-availability of major equipment/raw materials in India;
- Difficulty to arrange long term project finance to ship owners which is offered by other overseas shipbuilding countries;
- Higher finance costs and logistics costs resulting in higher input costs for production;

(d) Comparatively higher social and employee overheads and certain restrictive labour practices especially for contracting labour; and

(e) Governmental system induced procedural delays.

Opportunities:

- Projected increase in requirement of ships for the domestic commercial segment, owing to the new Gol policy to encourage "Make in India"/ restrictions on older ships;
- Projected demand in the defence sector;
- New generation vessels with green technology to meet new regulations;
- Vessels to support offshore wind industry;
- Emerging opportunities in the inland waterways and coastal shipping sector in India;
- Fishing vessels for both domestic and overseas market; and
- Huge demand – supply gap for the repair of commercial and defence ships and virtually no competition in India.

Threats:

- Distress pricing policies of competitors;
- Adverse reputational impact on the Indian shipbuilding industry due to under performance by Indian yards;
- Rising cost of labour and materials;
- Non-flexible government regulations on procurement policies delaying the product delivery timelines and cost; and
- Resurgence of contagious diseases like COVID-19 pandemic, natural disasters.

CRUISE 2030

34. CSL has embarked on a bold transformation programme, CRUISE 2030 in March 2019 to achieve breakout growth along with globally competitive operations to profitably achieve the growth. CRUISE 2030 exercise clearly mandates the need to tap new revenue generation streams beyond the current Shipbuilding & Ship Repair portfolios and a new division by name 'C-SAS' (CSL Strategic & Advanced

Solutions) has already been formed. CRUISE 2030 had focused strongly on building the new businesses such as deep sea fishing vessels and electronic control systems, strengthening the operations maturity through 'Shipyard 4.0' and Project Management initiatives. The programme also focused on CSL's breakthrough into the Dredging and Inland Barges, and structured cost reduction initiatives across fishing vessels and other businesses. The Company is also working towards building capability in advanced technologies to tap business potential in new emerging vessel segments such as autonomous, hybrid/ electric vessels and alternative fuels. CSL has formed a dedicated Centre of Excellence team to drive digital transformation across the value chain, i.e. Planning, Design, Procurement and Operations.

CSL Strategic & Advanced Solutions (C-SAS)

35. In order to tap new revenue generation streams beyond the current Shipbuilding & Ship Repair portfolios, a dedicated division named CSL Strategic & Advanced Solutions (C-SAS) was formed to enable the Company to venture into the arena of strategic and knowledge driven future technologies in the maritime sector. C-SAS has been actively engaged in identifying and developing sustainable and future oriented business models. Various innovative initiatives undertaken by C-SAS Division during the financial year 2022-23 are as follows:

(i) Integration Jigs with Wheeled Stools

An innovative tool was designed in-house for integration of underwater vehicle, which is a combination of integration jig and wheeled stools. This tool reduces approximately 50% of crane lifts and can save approximately 87.5% integration floor space compared to presently used integration tools.

(ii) Implementation of Hydrogen fuel cell technology for maritime application

C-SAS has also carried out the gap analysis of the fuel cell stacks, balance of plants, it's control system etc. and discovered the gaps and implemented solutions for bridging those gaps to meet the class requirements.

The fuel cell along with BoP is also being marinized as per IEC standards thereby ensuring that the equipment meets the IRS class requirements. In doing so fuel cell technology which will be delivered will be a totally marine compliant solution.

A Design FMEA was also performed by C-SAS team together with Fuel cell partner to identify the potential

failures and take corrective/ preventive measures to identify and mitigate any such hazardous scenarios not only at the local level (component level) but also at the global level (ship level). This methodology also covers fuel cell control system, power management, propulsion control and vessel automation system.

(iii) Fuel cell technology in marine segment

A white paper was published to determine the appropriate Fuel cell technology applicable in marine segment using Analytical Hierarchical Process (AHP). AHP is a method for organizing and analysing complex decisions using mathematical tools for arriving at the best solution from among multiple available options. The same was ratified by industry experts.

(iv) Failure Mode and Effects Analysis (FMEA) of underwater vehicle

C-SAS conducted a detailed system level FMEA on all the subsystems for the underwater vehicle from the productisation perspective. Through a comprehensive analysis of all subsystems, our study has revealed probable system failures and gaps in the technological development of underwater vehicle.

Risks and Concerns

36. The risks for the Company arise from the inherent nature of the shipbuilding industry. An indispensable portion of the Company's revenue over the years is from the commercial shipbuilding which is highly cyclical in nature. The commercial shipbuilding industry prospects are dependent on world trade and the cyclicity of oil, natural gas, shipping, transportation and other trade related industries. The pandemic situation had created concerns world over and the situation are on watch for the probable indications towards the tectonic shifts in the international economy with significant impact in the shipbuilding & repair industries too.

37. Substantial portion of the Company's activities involve the fabrication and refurbishment of large steel structures and its erection which would entail the operation of cranes and other heavy machinery and other operating hazards. The operational risks faced by the Company also could result in fires and explosions etc. Though the losses caused on such eventualities are covered under a standard fire and special perils policy, CSL do not have insurance for business interruption. These risks could expose the Company to substantial liability for personal injury, wrongful death, product liability, property damage, pollution and other environmental damages.

38. Another high risk area for the Company is the availability and price fluctuations of major raw materials. The major raw materials include steel (the grade and quality of which, in each project, depends on the applicable classification rules) and other materials, equipment and other components such as pumps, propellers and engines. In fiscals 2021, 2022 and 2023 respectively, the Company's material consumption costs constituted 55.39%, 60.67% and 51.29% of its total costs, respectively. In particular, bought out components accounted for around 95% of our total raw material cost in these recent fiscals.
39. Shortages in the supply of raw materials may result in an increase in the price of these raw materials. For example, there are supply-side constraints in relation to steel in India which we expect will continue in future. The Indian steel industry has been unable to compete globally due to which the Govt has imposed significant duties on the import of steel from other countries such as China to protect the domestic steel industry. This has adverse impacts when CSL is unable to source steel economically. In addition, the cost of certain raw materials, such as steel, aluminium, copper etc., may fluctuate in line with any changes in their global supply and demand and thus impacting the material cost.
40. In the event that the price of the Company's raw materials increase, the Company will not be able to pass these price increases to its customers on its existing fixed contracts and its business, financial condition and results of operations can be adversely affected.
41. Changes in currency exchange rates may influence our results of operations. Globally, a substantial part of all worldwide ship sales transactions and purchase of offshore structures is generally conducted in USD. To mitigate this risk, the Company hedges the net forex exposure on the export receivables. However, in the case of import components in respect of shipbuilding/ship repair contracts denominated in Rupee terms, CSL is exposed to exchange rate fluctuation risk unless the contract with the ship owner provides for an exchange variation reimbursement clause. Currently, some of the shipbuilding contracts do not contain such provision. Hence, adverse fluctuation in the currency rates will affect and influence our results of operations.
- ### Product Diversification
42. As the Company is presently on the cusp of transformational growth, CSL is undertaking transformative efforts on the innovative and new technology front including that on green energy, alternate fuels, autonomy, etc. Towards this, CSL is building 23 Hybrid Electric Catamaran Hull vessels for the Kochi Water Metro Project, which is one of its kind, modern, technologically advanced, energy efficient and environment friendly boat and is expected to integrate the urban water transport system for the seamless transportation requirements of the Kochi citizenry. A total of nine boats for the Kochi Water Metro Project have been delivered as on the date of this report. Further, CSL also delivered the order for two nos. of Autonomous Electric Vessels for ASKO Maritime AS, Norway.
43. During the financial year, CSL has bagged an international order for constructing 2 nos. of Commissioning Service Operation Vessels (CSOV) from a European Client, with an option to build 4 more of such vessels to be exercised by the owner within a period of one year. These vessels are intended for the services of offshore wind farm installations towards its commissioning and maintenance. These specialized vessels are being contracted for the first time in the country. CSL also bagged order from another European client for design and construction of two nos. of Zero Emission Feeder Container Vessels with an option for two more vessels. These ships can carry about 365 Nos. of 45-foot long high cube containers and are intended to serve the European Market where sustainable transportation solutions are in high demand.
44. CSL in collaboration with indigenous partners and under the aegis of the Ministry of Ports, Shipping and Waterways (MoPSW) is implementing a pilot project for design, development and construction of Hydrogen Fuel Cell Vessel based on Low Temperature Proton Exchange Membrane Technology (LT-PEM) also called Fuel Cell Electric Vessel (FCEV). Taking into consideration the growing impetus on hydrogen economy and hydrogen-based fuel cell technology both nationally and internationally, it is only prudent to explore its use case in the marine segment, especially in India, where there is vast possibility for its use on coastal & inland vessels. Also, the Company is planning to develop an indigenous Autonomous Surface Vessel (ASV),

'SWAYAT' to demonstrate CSL's capability in autonomous domain. The Board of Directors at their 271st Meeting held on April 29, 2023 has set aside an amount of ₹35 Crores towards Research & Development/ Innovation initiatives fund for the development of the pilot ASV Project.

45. CSL has also conceived a start-up engagement framework which was unveiled by the Hon'ble Minister for Ports, Shipping & Waterways at the inaugural function of the Company's Golden Jubilee celebrations held on April 30, 2022. With this framework CSL has committed to invest an initial corpus of ₹50 Crores in start-up companies engaged in maritime sector. The start-up framework is envisaged to augment Government of India's initiatives to develop an ecosystem in India to support maritime start-ups from technical, regulatory, financial and marketing point of view by bringing stakeholders together. The framework will provide a platform for the young and talented entrepreneurs to develop the products/ services in the marine space with financial support provided by CSL. One of the key parts for operationalization of the framework is engaging appropriate Review and Recommending Agencies (RRA) who shall inter alia be involved in selection of start-ups for investment, mobilising various stakeholders for the selected start-ups, monitoring and reviewing their progress etc. CSL has appointed Indian Institute of Management Kozhikode LIVE (IIMK LIVE) and Indian Institute of Technology Madras (IITM) as the Review and Recommending Agencies under the framework.

Internal Control

46. The Company has promulgated an internal control and internal audit manual and has in place adequate internal control systems. The internal audit function is carried out by an independent firm of Chartered Accountants who carry out an in-depth review of internal control systems in critical areas based on the audit programme approved by the Board level Audit Committee headed by an Independent Director. During the financial year 2022-23, the Company had engaged M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants for reviewing and installing adequate Internal Financial Controls and to ensure proper and adequate systems for compliance with the provisions of all applicable laws. Such controls were tested and no reportable material weakness in the design or operation was observed.

Human Resource Development and Industrial Relations

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

Women Empowerment

48. CSL has constituted an Internal Complaints Committee in accordance with the guidelines and norms prescribed by Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act). A senior woman executive is the Chairperson of the Internal Complaints Committee. The Certified Standing Orders applicable to workmen include sexual harassment as an act constituting misconduct. The Internal Complaints Committee is empowered to enquire into such complaints as per the procedure laid down in the Certified Standing Orders and Industrial Employment (Standing Orders) Acts and Rules.
49. The talents of the women workforce were showcased as part of celebration of the International Women's Day in CSL on March 08, 2023. The Company has a woman Welfare Officer specifically to promote women empowerment activities and to formulate and implement welfare measures according to the needs of women employees of the Company. CSL has commemorated the 9th anniversary of POSH Act on December 09, 2022 by organizing a session on POSH Act.
50. The Company ensures the participation of women in various forum including Joint Council, Shop Council, Central Safety Council, Shop Safety Council, Employees Contributory Provident Fund Trust, Employees Cochin Shipyard Recreation Club, Employees Cochin Shipyard Consumer Society etc.

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

51. The Company is making all out efforts to increase the procurement/ availing services from MSMEs. The Company has achieved a target of 54%, against the required target of 25% procurement of goods and services from MSMEs, out of total indigenous procurement for the financial year 2022-23. SC/ ST and women MSME entrepreneurs are also getting benefitted due to CSL's initiatives.
52. With a view to promote procurement/ avail services through MSMEs as per the Public Procurement Policy 2012 promulgated by the Government of India (GoI), CSL, jointly with MSME Development & Facilitation office, Thrissur conducted a vendor development programme viz., 'National Vendor Development Programme – 2022' on November 17 & 18, 2022 at Kochi.
53. In accordance with the directives of HQSNC, Centre for Indigenization and Self Reliance, Coimbatore, organized a

visit of 30 personnel, representing 25 firms along with the office bearers of Coimbatore District Small Scale Industries Association (CODISSIA) on January 23, 2023. CODISSIA representatives interacted with Senior Management of CSL and familiarized themselves with the present-day challenges and scope/ potential of indigenization.

54. Other initiatives include, making CSL website user-friendly for MSME vendors, regular uploading of procurement data and other details in “MSME SAMBANDH” portal, ensuring no vendor complaint is pending in “MSME SAMADHAAN” portal on delayed payment monitoring system which implies payments to MSME vendors are effected without delay, on boarding of around 180 vendors in TReDS platform etc.

Other Information

55. The details regarding the Company’s CSR activities, environment protection and conservation initiatives, technology absorption and upgradation efforts, forays into renewable energy, foreign exchange conservation etc., are provided in the Directors’ Report and the Annexure thereon.

Cautionary statement

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

For and on behalf of the Board of Directors

Kochi
May 19, 2023

Madhu Sankunny Nair
Chairman & Managing Director
DIN: 07376798

Business Responsibility and Sustainability Report

SECTION A : GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L63032KL1972GOI002414
2.	Name of the Listed Entity	Cochin Shipyard Limited
3.	Year of Incorporation	1972
4.	Registered office address	Cochin Shipyard Limited, Administrative Building, Cochin Shipyard Premises, Perumanoor, Kochi – 682015, Kerala, India
5.	Corporate office address	Cochin Shipyard Limited, Administrative Building, Cochin Shipyard Premises, Perumanoor, Kochi – 682015, Kerala, India
6.	E-mail id	secretary@cochinshipyard.in
7.	Telephone	0484 236 1306
8.	Website	www.cochinshipyard.in
9.	Financial year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up capital	₹1,31,54,03,900
12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Shri Syamkamal N Tel: 0484 250 1306 E-mail: secretary@cochinshipyard.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S.No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Shipbuilding	75.8
2.	Service	Ship Repair	24.2

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S.No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Shipbuilding	301	75.8
2.	Shiprepair	331	24.2

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

S.No.	Location	Number of plants	Number of offices	Total
1.	National	5	-	5
2.	International	-	-	-

Note: In addition to the above the Company also has two wholly owned subsidiaries; Hooghly Cochin Shipyard Limited with its plant at Nazirgunge, West Bengal and Udupi Cochin Shipyard Limited with its plant at Udupi, Karnataka.

17. Markets served by the entity:

a. Number of locations

S.No.	Locations	Number
1.	National (No. of States) ⁽¹⁾	11
2.	International (No. of Countries) ⁽²⁾	8

⁽¹⁾Due to the inherent nature of our business of shipbuilding/ship repair, the Company generally caters to the requirements of the Country's coastal states and states having national waterways as well as Country's defence requirements.

⁽²⁾The Company has provided its services across the world viz., Norway, Netherlands, Cyprus, USA, Germany, Denmark/Bahamas, Saudi Arabia and UAE.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

12%

c. A brief on types of customers

Cochin Shipyard Limited (CSL) is a key player in the domestic and international ship building market. Our key shipbuilding clients on the domestic front include the Indian Navy, the Indian Coast Guard, Ministry of Home Affairs, the Shipping Corporation of India Limited, Lakshadweep Government, various Ports, Inland Waterways Authority of India (IWAI), A&N Administration, Directorate General of Lighthouses and Lightships (DGLL) and Jindal Steel Works (JSW) group. On the international front, CSL has exported 47 vessels to some of the most demanding clients in Norway, Netherlands, Cyprus, USA, Germany, Demark/Bahamas, Saudi Arabia and UAE. CSL has also undertaken repairs of various types of vessels including upgradation of ships of the oil exploration industry as well as periodical maintenance, repairs and life extension of ships.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S.No	Particulars	Total(A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	615	543	88.29	72	11.71
2.	Other than Permanent (E)	263	224	85.17	39	14.83
3.	Total employees (D + E)	878	767	87.36	111	12.64

S.No	Particulars	Total(A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
WORKERS						
4.	Permanent (F)	1449	1324	91.37	125	8.63
5.	Other than Permanent (G)	1110	1039	93.6	71	6.4
6.	Total workers (F + G)	2559	2363	92.34	196	7.66

b. Differently abled Employees and workers:

S. No	Particulars	Total(A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	10	9	90	1	10
2.	Other than Permanent (E)	2	2	100.00	0	0
3.	Total differently abled employees (D + E)	12	11	91.67	1	8.33
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	42	37	88.1	5	11.9
5.	Other than Permanent (G)	8	7	87.5	1	12.5
6.	Total differently abled workers (F+ G)	50	44	88	6	12

19. Participation/Inclusion/Representation of women (As at the end of Financial Year)

Particulars	Total(A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	1	8.33
Key Management Personnel	5	0	0

20. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

Particulars	FY 2023			FY 2022			FY 2021 (Turnover rate in the year prior to the previous FY)		
	(Turnover rate in current FY)			(Turnover rate in previous FY)					
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	5.78	4.00	5.56	8.49	1.49	7.64	6.61	0.00	5.80
Permanent Workers	2.09	1.83	2.06	2.85	3.03	2.86	3.08	2.07	3.00

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Hooghly Cochin Shipyard Limited	Subsidiary	100	No
2.	Udupi Cochin Shipyard Limited	Subsidiary	100	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes

(ii) Turnover (in ₹)

23304588000

(iii) Net worth (in ₹)

44234187000

VII. Transparency and Disclosures

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023 (Current Financial Year)			FY 2022 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, https://cochinshipyard.in/grievance-cell	8	0		18	0	
Investors (other than shareholders)	Yes, https://cochinshipyard.in/grievance-cell	0	0		0	0	
Shareholders	Yes, https://cochinshipyard.in/grievance-cell	17	0		4	0	
Employees and workers	Yes, CSL Intranet	0	0		0	0	
Customers	Yes, https://cochinshipyard.in/grievance-cell	0	0		0	0	
Value Chain Partners	Yes, https://cochinshipyard.in/grievance-cell	0	0		0	0	

24. Overview of the entity’s material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Climate Change	Risk	Majority of the ship building projects undertaken by CSL are fueled by fossil fuels. The increasing awareness of climate change across the globe will reduce the demand for such vessels and affect the operations of CSL	CSL has already embarked on Green Shipping initiatives. CSL has already built and delivered 2 Autonomous Electric Vessels for ASKO Maritime AS, Norway. The 67 Mtr. Long vessels were delivered as Full-Electric Transport Ferries powered by 1846 kWh capacity battery. CSL is building 23 Hybrid Electric Catamaran Hull Vessels for the Kochi Water Metro Project, which is one of its kind, modern, technologically advanced, energy efficient and environment friendly boat. Further CSL is also building 2 Commissioning Service Operation Vessels for Pelagic Group, Cyprus and 2 Zero Emission Feeder Container Vessels for SAMSKIP Group, Norway. Further, the Company is also in the process of development of Hydrogen Fuel Cell vessels.	Negative implication
2.	Climate Change	Opportunity	Increase in demand for zero emission vessels	Keeping pace with the Global Maritime Green Transitions, the Company is in the process of developing and building India’s first indigenous Hydrogen Fuelled Electric Vessels, a pilot project part funded by the Ministry of Ports, Shipping and Waterways (MoPSW). The pilot project is based on development of a Low Temperature Proton Exchange Membrane Technology (LT-PEM) – also called Fuel Cell Electric Vessel (FCEV) and the C-SAS division is in charge of the technological part of design, development and construction of the Vessel. The move is part of India’s transformative efforts on the innovative and new technology front with respect to green energy and sustainable cost-effective alternate fuel. The pilot project is being carried out in collaboration with Indian partners. Governments across the globe is looking at the corporates for implementing sustainable development models.	

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				<p>India, under the able leadership of the Honourable Prime Minister has set an ambitious target of becoming carbon neutral by 2070. Towards this, the Ministry of Ports, Shipping and Waterways has already initiated several measures and CSL is spearheading the Green Shipping initiatives to curb marine pollution. As part of green initiatives, CSL is building 23 Hybrid Electric Catamaran Hull Vessels for the Kochi Water Metro Project, which is one of its kind, modern, technologically advanced, energy efficient and environment friendly boat and is expected to integrate the urban water transport system for the seamless transportation requirements of the Kochi citizenry. CSL's commitment to green initiatives is also evident from the delivery of order of two Autonomous Electric Vessels for ASKO Maritime AS, Norway. Further CSL is also building 2 Commissioning Service Operation Vessels for Pelagic Group, Cyprus and 2 Zero Emission Feeder Container Vessels for SAMSKIP Group, Norway. Further, the Company is also in the process of development of Hydrogen Fuel Cell vessels.</p>	Positive implication

SECTION B : MANAGEMENT AND PROCESS DISCLOSURES

Policy and Management Processes

1. a. **Whether your entity’s policy/policies cover each principle and its core elements of the NGRBCs.** (Yes/No)

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes

b. **Has the policy been approved by the Board?** (Yes/No)

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes

The Policies have been approved by the Board/ relevant Competent authority as per the delegated powers of the Board.

c. **Web Link of the Policies, if available**

P1	P2	P3	P4	P5	P6	P7	P8	P9
https://cochinshipyard.in/investor/investor_titles/68								

2. **Whether the entity has translated the policy into procedures.** (Yes / No)

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes

3. **Do the enlisted policies extend to your value chain partners?** (Yes/No)

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes

4. **Name of the national and international codes/certifications/labels/standards (e.g. Forest, Stewardship, Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**

P1	Model Code of Business Conduct and Ethics for Board Members and Senior Management, Conduct Discipline and Appeal Rules, Central Vigilance Commission Guidelines and Manual.
P2	ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System and ISO 45001:2018 Health and Safety Management System Standards.
P3	ISO 45001:2018 Health and Safety Management System Standards, Employee Welfare and Skill Development Measures as more specifically mentioned in Directors’ Report.
P4	Presidential Directives and Guidelines on Reservation for Scheduled Caste (SC)/ Scheduled Tribes (ST)/ Other Backward Classes (OBC)/ Economically Weaker Sections (EWS) and Persons with Benchmark Disabilities (PwBD) issued by the Government of India from time to time. For more details, please refer to Directors’ Report.
P5	CSL is aligned with all the applicable national laws, principles and norms with regard to human rights.
P6	ISO 14001:2015 Environmental Management System.
P7	Not applicable.

P8	CSL's CSR Projects aim at benefiting the community from low socio-economic strata across the nation. For more details please refer to CSR section annexed to Directors' Report.
P9	ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System and ISO 45001:2018 Health and Safety Management System Standards.

5. Specific commitments, goals and targets set by the entity with defined timelines, if any.

P1	P2	P3	P4	P5	P6	P7	P8	P9
CSL don't have mandated targets, commitments or evaluation process for all policies. CSL has put in place an SaaS application software for real time monitoring of ESG parameters viz., GHG emissions, waste management, consumption of resources like water, electricity etc.								

6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.

P1	P2	P3	P4	P5	P6	P7	P8	P9
CSL monitors key parameters and use it for augmenting the policies, wherever found necessary.								

Governance, Leadership & Oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

Presently, governments across the globe are looking at the corporates for implementing sustainable development models. India, under the able leadership of the Honourable Prime Minister has set an ambitious target of becoming carbon neutral by 2070. CSL being a Central PSU under the administrative control of Ministry of Ports, Shipping and Waterways, is committed to play its part in achieving the target set by the Honourable Prime Minister. Towards this, CSL has already initiated several initiatives to curb marine pollution. Continuing with the green initiatives, CSL is building 23 Hybrid Electric Catamaran Hull Vessels for the Kochi Water Metro Project, which is one of its kind, modern, technologically advanced, energy efficient and environment friendly boat and is expected to integrate the urban water transport system for the seamless transportation requirements of the Kochi citizenry. CSL's commitment to green initiatives may also be seen from the execution of order of two Autonomous Electric Vessels for ASKO Maritime AS, Norway. Further CSL is also building 2 Commissioning Service Operation Vessels for Pelagic Group, Cyprus and 2 Zero Emission Feeder Container Vessels for SAMSKIP Group, Norway. Further, the Company is also in the process of development of Hydrogen Fuel Cell vessels. Also, CSL in collaboration with indigenous partners and under the aegis of the Ministry of Ports, Shipping and Waterways is implementing a pilot project for design, development and construction of Hydrogen Fuel Cell Vessel based on Low Temperature Proton Exchange Membrane Technology (LT-PEM) also called Fuel Cell Electric Vessel (FCEV), which is a step towards greener tomorrow. Taking into consideration the growing impetus on hydrogen economy and hydrogen-based fuel cell technology both nationally and internationally, it is only prudent to explore its use case in the marine segment, especially in India, where there is vast possibility for its use on coastal & inland vessels.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

Shri Madhu Sankunny Nair (DIN: 07376798), Chairman and Managing Director.

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Yes, Shri Madhu Sankunny Nair (DIN: 07376798), Chairman and Managing Director is the decision making authority with regard to sustainability related issues.

10. Details of Review of NGRBCs by the Company:

	Performance against above policies and follow up action*		Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances
Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee	P1	Yes	CSL is in compliance with the extant regulations as applicable.
	P2	Yes	
	P3	Yes	
	P4	Yes	
	P5	Yes	
	P6	Yes	
	P7	-	
	P8	Yes	
	P9	Yes	
Frequency (Annually/ Half yearly/ Quarterly/ Any other –please specify)	P1	Yes	Quarterly. A Statutory Compliance Certificate on applicable laws is provided by the CMD & Director (Finance) to the Board of Directors.
	P2	Yes	
	P3	Yes	
	P4	Yes	
	P5	Yes	
	P6	Yes	
	P7	-	
	P8	Yes	
	P9	Yes	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	Yes, the compliance with the CVC Guidelines are evaluated by the Vigilance Department headed by a Chief Vigilance Officer, appointed by the Government of India.
P2	Yes, ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System and ISO 45001:2018 Health and Safety Management System standards are evaluated by DNV-GL on an annual basis.
P3	Yes, ISO 45001:2018 Health and Safety Management System standard is evaluated by DNV-GL on an annual basis.
P4	Yes, CSL is in compliance with the Presidential directives and guidelines on reservation for Scheduled Caste (SC)/ Scheduled Tribes (ST)/ Other Backward Classes (OBC)/ Economically Weaker Sections (EWS) and Persons with Benchmark Disabilities (PwBD) issued by the Government of India from time to time, which is audited by the Comptroller and Auditor General of India.
P5	Yes, CSL is in compliance with all the applicable national laws, principles and norms with regard to Human Rights, which is monitored by the Comptroller and Auditor General of India.
P6	Yes, ISO 14001:2015 Environmental Management System standard is evaluated by DNV-GL on an annual basis.
P7	Not applicable.
P8	Yes, CSL's CSR projects are audited by both statutory auditors of the Company as well as the Comptroller and Auditor General of India.
P9	Yes, ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System and ISO 45001:2018 Health and Safety Management System standards are evaluated by DNV-GL on an annual basis.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable

SECTION C : PRINCIPLE WISE PERFORMANCE DISCLOSURE**PRINCIPLE 1**

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	1*	33.33
Key Managerial Personnel	1	1*	100.00
Employees other than BoD and KMPs	780	1*	100.00
Workers	2336	1*	100.00

*Awareness programs were provided as part of observance of Vigilance Awareness Week 2021 in CSL during October 31, 2022 to November 06, 2022.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
Sl. No.	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount	Brief of the Case	Has an appeal been preferred? (Yes/No)
Nil	N.A.	Nil	Nil	N.A.	N.A.

Non-Monetary					
Sl. No.	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Nil	N.A.	Nil	N.A.	N.A.	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

S. No	Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Nil	N.A.	Nil

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Vigilance Department of Cochin Shipyard Limited performs various activities with regard to preventive and pro-active vigilance, undertakes investigation in cases related to punitive vigilance and conducts surveillance and detection initiatives. Vigilance department strives to ensure transparency, equity and competitiveness in all procurement. Important CVC guidelines are discussed with Heads of Departments for its strict compliance. For more details, please refer to the following web-link.

<https://cochinshipyard.in/Vigilance>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY 2023 (Current Financial Year)		FY 2022 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	0	0	Not applicable
Capex	0	0	Not applicable

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes

- If yes, what percentage of inputs were sourced sustainably?**

100%.

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

- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for:**

a. Plastics (including packaging)

Wastes are disposed off through government authorised external agency.

b. E-waste

Wastes are disposed off through government authorised external agency.

c. Hazardous waste

Wastes are disposed off through government authorised external agency.

d. Other waste

Wastes are disposed off through government authorised external agency.

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

No. Extended Producer Responsibility (EPR) is not applicable to CSL.

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Male	555	555	100	555	100	N.A.	N.A.	555	100	555	100
Female	80	80	100	80	100	80	100.00	N.A.	N.A.	80	100
Total	635	635	100	635	100	80	100	555	100	635	100
Other than Permanent employees											
Male	129	129	100	129	100	N.A.	N.A.	129	100	129	100
Female	21	21	100	21	100	21	100	N.A.	N.A.	21	100
Total	150	150	100	150	100	21	100	129	100	150	100

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Male	1198	1198	100	1198	100	N.A.	N.A.	1198	100	1198	100
Female	117	117	100	117	100	117	100	N.A.	N.A.	117	100
Total	1315	1315	100	1315	100	117	100	1198	100	1315	100
Other than Permanent workers											
Male	958	958	100	958	100	N.A.	N.A.	958	100	958	100
Female	63	63	100	63	100	63	100	N.A.	N.A.	63	100
Total	1021	1021	100	1021	100	63	100	958	100	1021	100

2. Details of retirement benefits, for Current FY and Previous Financial Year.

S. No	Benefits	FY 2023 (Current Financial Year)			FY 2022 (Previous Financial Year)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
1.	PF	100.00	100.00	Y	100.00	100.00	Y
2.	Gratuity	100.00	100.00	Y	100.00	100.00	Y
3.	ESI	0.00	0.00	N.A.	0.00	0.00	N.A.
4.	Insurance Linked Post Retirement Medical Scheme	100.00	100.00	Y	100.00	100.00	Y

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Equity, inclusivity and fairness has been imbibed in all the employee processes like recruitment, job selection/ transfer/ rotation, training, promotion, appraisals and compensation and benefits and the HR policies of the Company can be accessed by employees on CSL intranet. Further, the Company does not discriminate and gives equal opportunities to all individuals irrespective of gender, religion, caste, race, age, community, physical ability or sexual orientation, etc. The Company also follows the directives and guidelines issued by the Government of India on the subject from time to time.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	100	100	100
Female	100	100	100	100
Total	100	100	100	100

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, CSL has a 5 stage grievance redressal mechanism, beginning from the reporting officer at the first stage till the CMD of the Company at the fifth stage with specific timelines at each stage to resolve the grievance. The detailed framework of this mechanism is available in CSL intranet.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023 (Current Financial Year)			FY 2022 (Previous Financial Year)		
	Total employees / workers in respective category(A)	No. of employees / workers in respective category, who are part of association(s) or Union(B)	% (B / A)	Total employees / workers in respective category(C)	No. of employees / workers in respective category, who are part of association(s) or Union(D)	% (D / C)
Total Permanent Employees	635	635	100.00	553	553	100.00
Male	555	555	100.00	483	483	100.00
Female	80	80	100.00	70	70	100.00
Total Permanent Workers	1315	1315	100.00	1204	1204	100.00
Male	1198	1198	100.00	1102	1102	100.00
Female	117	117	100.00	102	102	100.00

8. Details of training given to employees and workers:

Category	FY 2023 (Current Financial Year)					FY 2022 (Previous Financial Year)				
	Total(A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill upgradation	
		No.(B)	% (B/A)	No.(C)	% (C/A)		No.(E)	% E/D	No.(F)	% F/D
Employees										
Male	684	139	20.32	256	37.43	593	33	5.56	330	55.65
Female	101	13	12.87	51	50.50	89	4	4.49	56	62.92
Total	785	152	19.36	307	39.11	682	37	5.43	386	56.60
Workers										
Male	2156	2156	100.00	142	6.59	2304	90	3.91	103	4.47
Female	180	106	58.89	17	9.44	182	7	3.85	11	6.04
Total	2336	2262	96.83	159	6.81	2486	97	3.9	114	4.59

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023 (Current Financial Year)			FY 2022 (Previous Financial Year)		
	Total (A)	No.(B)	% B/A	Total (C)	No.(D)	% D/C
Employees						
Male	684	684	100.00	593	593	100.00
Female	101	101	100.00	89	89	100.00
Total	785	785	100.00	682	682	100.00
Workers						
Male	2156	2156	100.00	2304	2304	100.00
Female	180	180	100.00	182	182	100.00
Total	2336	2336	100.00	2486	2486	100.00

10. Health and safety management system:

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, CSL is certified to ISO 45001:2018 Health and Safety Management System standard.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Hazard Identification and Risk Assessment (HIRA) is the tool used by Cochin Shipyard Limited to identify and assess the hazards and risks associated with routine and non-routine works carried out in the yard. This process include listing out all the activities and taking each activities through the HIRA work sheet. The HIRA Work sheet perform quantitative approach of risk calculation and prioritising the activities based on risk value to Low, Medium and High risk activities. Control measures for mitigating the risks and reducing the risk levels from high and medium to low risk is described in standard operating procedures and operational control procedures tagged to each activities.

c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Yes/ No)**

Yes

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, CSL has a full-fledged medical centre premised at Kochi, headed by a Chief Medical Officer. Further, CSL has a medical assistance scheme for employees by empanelling various hospitals (Super-speciality/Multi-speciality/Speciality and other-

speciality hospitals) in Ernakulam District for the treatment of CSL employees and their eligible dependent family members. The expenses towards the inpatient/day care treatment availed at these empanelled hospitals shall be settled directly by CSL to the hospital. Medical ID Cards with details of employees and dependents has been issued to all employees for the purpose of identification at empanelled hospitals. In the case of hospitals outside Ernakulam district, the admissible treatment expenses shall be reimbursed to the employees.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked)	Employees	0	0
	Workers	0.2667	0.0667
Total recordable work-related injuries	Employees	0	6
	Workers	364	267
No. of fatalities	Employees	0	0
	Workers	0	0
High-consequence work-related injury or ill health (excluding fatalities)	Employees	0	0
	Workers	4	1

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Occupational Health and Safety Management System at Cochin Shipyard is called HSE Governance System. Through this, all employees are motivated through positive safety culture by encouraging them to perform safe work practices. They are being rewarded for their safe actions on monthly basis and on National Safety day. One person from each employee group is selected as Field Safety Representative (FSR) to monitor the safety of the workplace. Apart from FSR, Safety and Fire staffs of around 250 numbers were deputed at work sites for continuous monitoring of works onboard vessels and workshops, skids etc. They will be responsible to issue work permits wherever applicable and also to issue violation tokens whenever deviations from safe practices are observed. Also weekly walk the talks and monthly pep talks at work sites by section heads, General Managers/ Chief General Managers will demonstrate involvement of top management in Safety.

13. Number of Complaints on the following made by employees and workers:

Safety Incident/ Number	FY 2023 (Current Financial Year)			FY 2022 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0		0	0	
Health & Safety	550	42		203	36	

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Corrective actions will arise from 3 member committee (Committee including concerned officer of that area, Safety committee member of that area and Safety officer of that area) or board of enquiry (members nominated by occupier/factory manager/CSO for critical incidents) for safety related incidents. Other corrective actions from HSE Observations/Suggestions will be generated by HSE Coordinator/Safety Officer of particular area.

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The key stakeholders identified in consultation with the company’s management are: customers, employees, shareholders, academic institutions, suppliers, industry bodies such as Indian Shipbuilders Association, Indo Japan Chamber of Commerce, Confederation of Indian Industry (CII), Cochin Chamber of Commerce and Industry, All India Management Association, The Federation of Indian Chambers of Commerce and Industry (FICCI), Standing Conference of Public Enterprises (SCOPE) and Society of Indian Defence Manufacturers (SIDM), governments, NGOs, local communities, regulators and society at large.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1.	Customers	No	Project-related calls, e-mails and meetings; project management reviews; top executive meetings and briefings; customer visits; responses to RFPs and other tenders etc. newsletters; brochures	Continuous basis	Shipbuilding and Ship Repair Project execution
2.	Shareholders	No	Press releases; email advisories; in-person meetings; investor conference calls etc.	<ul style="list-style-type: none"> Quarterly: Financial statements in IndAS; earnings call; exchange notifications; Continuous: Investors page on the CSL website Annual: Annual General Meeting; Annual Report 	<ul style="list-style-type: none"> Helping investors voice their concerns regarding company policies, reporting strategy, etc. Understanding shareholder expectations
3.	Employees	No	Intranet, e-mail and meetings	Continuous basis	Informing about various orders, directives, schemes etc.
4.	Academic Institutions	No	As needed: Academic and Training Programs; and meetings	As and when needed	Training and development
5.	Industry bodies, government and Regulators	No	As needed: <ul style="list-style-type: none"> Conferences and seminars; surveys; and other meetings 	As and when needed	Ensure 100% compliance to all applicable laws.
6.	NGOs; local communities; and society at large	No	As needed: <ul style="list-style-type: none"> Meetings; Social Media; Surveys; and Press Releases 	As and when needed	Execution of CSR project, intimation of important events and occurrences.

PRINCIPLE 5

Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023 (Current Financial Year)			FY 2022 (Previous Financial Year)		
	Total(A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	635	21	3.31	553	26	4.7
Other than permanent	150	0	0	129	0	0
Total Employees	785	21	2.68	682	26	3.81
Workers						
Permanent	1315	0	0	1204	0	0
Other than permanent	1021	0	0	1282	0	0
Total Workers	2336	0	0	2486	0	0

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023 (Current Financial Year)					FY 2022 (Previous Financial Year)				
	Total(A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No.(C)	% (C/A)		No.(E)	% E/D	No.(F)	% F/D
Employees										
Permanent	635	0	0	635	100	553	0	0	553	100
Male	555	0	0	555	100	483	0	0	483	100
Female	80	0	0	80	100	70	0	0	70	100
Other than permanent	150	0	0	150	100	129	0	0	129	100
Male	129	0	0	129	100	110	0	0	110	100
Female	21	0	0	21	100	19	0	0	19	100
Workers										
Permanent	1315	0	0	1315	100	1204	0	0	1204	100
Male	1198	0	0	1198	100	1102	0	0	1102	100
Female	117	0	0	117	100	102	0	0	102	100
Other than permanent	1021	0	0	1021	100	1282	0	0	1282	100
Male	958	0	0	958	100	1202	0	0	1202	100
Female	63	0	0	63	100	80	0	0	80	100

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (₹)	Number	Median remuneration/ salary/wages of respective category (₹)
Board of Directors(BoD)	11	6298935.95	1	0
Key Managerial Personnel (KMP)	5	6026088	0	0
Employees other than BoD and KMP	550	1461854	80	1484263
Workers	1198	795733	117	760770

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The human resource policies of the Company cover all aspects of human rights of its employees and others associated with it for operation of its business and covers human rights of employees of the subsidiaries also. The Company is committed to uphold and maintain the dignity of women employees and it has in place a policy which provides for protection against sexual harassment of women at work place and for prevention and redressal of such complaints. The Company is also committed to comply with all human rights practices across subsidiaries and other stakeholders associated with the Company.

6. Number of Complaints on the following made by employees and workers:

	FY 2023 (Current Financial Year)			FY 2022 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0		1	0	The complaint was related to indecent graffiti. The board of enquiry submitted the report based on which the Company took necessary actions to immediately remove the indecent graffiti. Also employees were sensitised to prevent reoccurrence and reporting the matter immediately.
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/ Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Concerns on discrimination and harassment are dealt with confidentially. CSL does not tolerate any form of retaliation against anyone reporting good faith concerns. Anyone involved in targeting such a person raising such complaints will be subject to disciplinary action.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, wherever found necessary.

9. Assessment for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100
Forced Labour/Involuntary Labour	100
Sexual Harassment	100
Discrimination at Workplace	100
Wages	100

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2023 (Current Financial Year)		FY 2022 (Previous Financial Year)	
	Value	Unit	Value	Unit
Total electricity consumption (A)	119618.90	GJ	136975.27	GJ
Total fuel consumption (B)	8236.93	GJ	8994.25	GJ
Energy consumption through other sources (C)	0	GJ	0	GJ
Total energy consumption (A+B+C)	127855.80	GJ	145969.52	GJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in Rupees)	0.0000055	GJ/Rupee	0.0000046	GJ/Rupee

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, CSL internally monitors the energy consumption.

2. Does the entity have any sites / facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023 (Current Financial Year)		FY 2022 (Previous Financial Year)	
	Value	Unit	Value	Unit
Water withdrawal by source (in kilolitres)				
(i) Surface water	0	Kilolitres	0	Kilolitres
(ii) Groundwater	823.25	Kilolitres	0	Kilolitres
(iii) Third party water	1077620	Kilolitres	658905	Kilolitres
(iv) Seawater / desalinated water	74	Kilolitres	0	Kilolitres
Others by the entity	1843	Kilolitres	0	Kilolitres
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1080360.25	Kilolitres	658905	Kilolitres
Total volume of water consumption (in kilolitres)	1058886.75	Kilolitres	648212	Kilolitres
Water intensity per Rupee of turnover (Water consumed / turnover)	0.000045	Kiloliters/Rupee	0.000020	Kiloliters/Rupee

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, CSL internally monitors the water consumption.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	FY 2023 (Current Financial Year)		FY 2022 (Previous Financial Year)	
	Value	Unit	Value	Unit
NOx	0	tCO2e	0	tCO2e
SOx	0	tCO2e	0	tCO2e
Particulate matter (PM)	0	tCO2e	0	tCO2e
Persistent organic pollutants (POP)	0	tCO2e	0	tCO2e
Volatile organic compounds (VOC)	0	tCO2e	0	tCO2e
Hazardous air pollutants (HAP)	0	tCO2e	0	tCO2e

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, CSL does not have significant air emissions other than GHG emissions.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Total Scope 1 Emissions	Metric tonnes of CO2 equivalent	546.94	583.3
Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available			
CO2	Metric tonnes of CO2 equivalent	541.63	578.64
CH4	Metric tonnes of CO2 equivalent	0.17	0.24
N2O	Metric tonnes of CO2 equivalent	5.14	4.41
HFCs	Metric tonnes of CO2 equivalent	0	0
PFCs	Metric tonnes of CO2 equivalent	0	0

Parameter	Unit	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
SF6	Metric tonnes of CO2 equivalent	0	0
NF3	Metric tonnes of CO2 equivalent	0	0
Total Scope 2 Emissions	Metric tonnes of CO2 equivalent	28488.68	32924
Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available			
CO2	Metric tonnes of CO2 equivalent	0	0
CH4	Metric tonnes of CO2 equivalent	0	0
N2O	Metric tonnes of CO2 equivalent	0	0
HFCs	Metric tonnes of CO2 equivalent	0	0
PFCs	Metric tonnes of CO2 equivalent	0	0
SF6	Metric tonnes of CO2 equivalent	0	0
NF3	Metric tonnes of CO2 equivalent	0	0
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO2 equivalent/Rupee	0.0000012	0.0000011

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, CSL internally monitors the GHG emissions.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details

The Company's major initiative in the conservation of energy was installation of solar panels on the rooftop of various buildings inside CSL premises. The programme commenced in the year 2013-14. As of March 31, 2023, solar power plant having capacity of 1622 kWp has been commissioned in CSL. Further, during the financial year 2022-23, CSL commissioned 600KVA, 750 Amps state-of-the-art energy efficient static frequency converter. With this addition, CSL can now provide pure sine wave power to all its docks and quays. This along with CSL's 1.6MWp PV solar power enables CSL to supply clean energy to 60 Hz category ships. The Company is also spearheading the building of battery operated zero emission vessels and development of Hydrogen Fuel Cell vessels, the details of which are more specifically given in the Directors' Report.

8. Provide details related to waste management by the entity, in the following format:

a. Total Waste generated

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
	Value	Value
Total Waste generated (in metric tonnes)		
Plastic waste	1.1	6.41
E-waste	2129	4380
Biomedical waste	0.0081	0.0897
Construction and demolition waste	0	0
Battery waste	548.1	0
Radioactive waste	0	0
Other Hazardous waste		
Glass Waste	0.041	0
Waste or Residue Containing Oil	479.68	32
Oil & Grease skimming	0	23.50
Equipment Retiral Waste	0.02	0.08
Paint Sludge	1	6
Anode	6.18	3.05
Copper Slag	7644.17	4653.60
Waste Oil	74.12	572.10
Copper Cables	0	0
Used Copper Slag	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
	Value	Value
Empty Paint Tin	0.3	0
Other Non-hazardous waste		
Food Waste	92.24	253.73
Metal Waste	205.97	1235.82
Paper and Cardboard Waste	0.6759	0.55
Civil Waste	40	95
Aluminium Waste	1	6
Miscellaneous Waste	600.20	0
Steel Scrap	968.79	1087.06
Industrial Waste	1831.66	3918.46
Empty Oil Barrel	283.32	10.71
Total Waste Generated	14907.58	16284.17

b. For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Plastic waste		
(i) Recycled	0.0048	0.0049
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0.0048	0.0049

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: E-waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Biomedical waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Construction and demolition waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Battery waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Radioactive waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Other Hazardous waste

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Glass Waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Waste or Residue Containing Oil		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Oil & Grease skimming		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Equipment Retiral Waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Paint Sludge		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Anode		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Copper Slag		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Waste Oil		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Copper Cables		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Used Copper Slag		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Empty Paint Tin		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Other Non-hazardous waste

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Food Waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	35.05	0
Total	35.05	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Metal Waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Paper and Cardboard Waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Civil Waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Aluminium Waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Miscellaneous Waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Steel Scrap		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Industrial Waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Empty Oil Barrel		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

c. For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Plastic waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0.06	0
Total	0.06	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: E-waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	35
Total	0	35

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Biomedical waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0.0081	0.0897
Total	0.0081	0.0897

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Construction and demolition waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Battery waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Radioactive waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Other Hazardous waste

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Glass Waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Waste or Residue Containing Oil		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Oil & Grease skimming		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Equipment Retiral Waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Paint Sludge		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Anode		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Copper Slag		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Waste Oil		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	339.2	461.85
Total	339.2	461.85

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Copper Cables		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	195.75	44.55
Total	195.75	44.55

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Used Copper Slag		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	9640.72	4401.57
Total	9640.72	4401.57

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Empty Paint Tin		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	44.06	49
Total	44.06	49

Other Non-hazardous waste

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Food Waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	115.92	130.51
Total	115.92	130.51

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Metal Waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Paper and Cardboard Waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0.06	0
Total	0.06	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Civil Waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Aluminium Waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Miscellaneous Waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Steel Scrap		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	1003.53	0
Total	1003.53	0

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Industrial Waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	5629.78	3337.26
Total	5629.78	3337.26

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Category of waste: Empty Oil Barrel		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	28.12	33.34
Total	28.12	33.34

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, CSL internally monitors the waste management.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

CSL has an operating Memorandum of Understanding (MoU) with Kerala Enviro Infrastructure Limited (KEIL), an authorized agency of Kerala State Pollution Control Board (KSPCB). CSL is disposing its industrial wastes through Kerala Enviro Infrastructure Limited in compliance with applicable statutory requirements promulgated by Pollution Control Board from time to time.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1.	CSL, Perumanoor, Kochi, Kerala	Shipbuilding and Ship Repair	Y
2.	ISRF, Willingdon Island, Kochi, Kerala	Ship Repair	Y
3.	CMSRU, Mumbai, Maharashtra	Ship Repair	N. No environmental approval/ clearance is required
4.	CKSRU, Kolkata, West Bengal	Ship Repair	N. No environmental approval/ clearance is required
5.	CANSRU, Andaman & Nicobar Islands	Ship Repair	N. No environmental approval/ clearance is required

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

S. No	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes /No)	Relevant Web link
					Nil	
					Nil	

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, CSL has complied with applicable environmental law/regulations / guidelines applicable in India.

S. No	Specify the law / regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
				Not Applicable

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

- 1. a. Number of affiliations with trade and industry chambers/ associations.

10

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Shipbuilders Association	National
2	Indo Japan Chamber of Commerce	International
3	Confederation of Indian Industry (CII)	National
4	Cochin Chamber of Commerce and Industry	State of Kerala
5	All India Management Association	National
6	Standing Conference of Public Enterprises (SCOPE)	National
7	Society of Indian Defence Manufacturers (SIDM)	National
8	CII Council on Public Enterprises	National
9	Indian Institute of Welding	National
10	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National

- 2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
	Not Applicable	

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

S. No.	Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
1	Ananthakripa - Building an accommodation facility for patients and their bystanders who visit Thiruvananthapuram for advanced medical treatment in the various government medical establishments in the city.	N.A.	N.A.	Yes	Yes	https://cochinshipyard.in/uploads/ananthakripa.pdf

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

CSL's grievance redressal system is headed by a Whole Time Director and the complaints involving issues of integrity, fairness and transparency in dealing with CSL will be addressed and attended to in a time bound manner. Towards this the Company has put in place a grievance portal which can be accessed at <https://cochinshipyard.in/grievance-cell>

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2023 (Current Financial Year)	FY 2022 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	54	51
Sourced directly from within the district and neighbouring districts	CSL follows the Public Procurement (Preference to Make in India), Order 2017 promulgated by the Government of India and wherever possible sources its materials from local suppliers to encourage 'Make in India' and promote manufacturing and production of goods and services in India. The procurement system of CSL does not differentiate sourcing from within or outside a particular area/district/locality.	

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

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

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100
Safe and responsible usage	100
Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following:

	FY 2023 (Current Financial Year)			FY 2022 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	0	0		0	0	

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

CSL has put in place a detailed Information Security Policy, and the same is available in CSL intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

Not Applicable

Independent Auditors' Report

To
The Members of **Cochin Shipyard Limited**
Report on Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Cochin Shipyard Limited (referred to as the "Company") which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and Statement of changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone financial statements give the information, 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 Companies Act 2013 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, 2023, the Profit including other comprehensive income, changes in equity and its cashflows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of Matters:

1. Capitalization of Cost for International Ship Repair Facility (ISRF):

Attention is drawn to Note No. 42 to the Standalone Financial Statements, wherein, the cost directly attributable to construction/development of project is capitalized in the books with effect from commencement of the project.

The land and water area on which the International Ship Repair Facility (ISRF) project is in progress, is taken on lease from Cochin Port Trust. The company has commenced development of the new ship repair facility with effect from 09th Jan 2018. The lease period of 30 years commences from date of Environmental Clearance. The company has not considered capitalization of said cost amounting to ₹8,288.21 lakhs from the commencement of project construction/development. As the amount is less than the materiality level arrived by the company, the management rectified/corrected the prior periods error amounting to ₹6,181.35 lakhs during the year, which was duly classified as 'Exceptional items' in the Statement of Profit and Loss Account.

2. Non-Factoring of Liquidated Damages for 2 Nos 1200 Passenger Vessels:

Attention is drawn to Note No.33.5 to the Standalone Financial Statements, on shipbuilding contract with Andaman & Nicobar Administration for construction of 2 Nos 1200 Passenger Vessels. The contractual delivery date (as extended) for SH.0023 is already expired and another vessel SH.0024 is nearing expiry. The Company has provided for the liquidated damages for the delay upto 29th April, 2023 and 30th Oct, 2023 in respect of SH.0023 & SH.0024 respectively. Meanwhile, at the request of the A&N administration for reallocation of vessel to other prospective buyers, the delivery of ship has been abated, with minor progress. Since the Company has a valid contract with Andaman & Nicobar Administration for construction and delivery of 2 Nos 1200 Pax Vessels, the company has not recognized further liquidated damages in the financials beyond the dates mentioned above.

Our opinion is not modified in respect of these matters.

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 for the year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Recognition of Revenue- Ship Building and Ship Repair activities:

(Refer Note No.3.15(a),33 and 44 to the Standalone Financial Statements)

There are significant accounting judgements involved in estimating contract revenue to be recognised on shipbuilding and ship repair contracts with customers, including determination of physical progress of completion as on the reporting date.

The physical progress of completion is ascertained as per the in-house procedures developed by the management of the company. The procedure and the assumptions therein are based on certain judgements made by the management based on inputs from the technical departments of the company. Further, the ascertainment of the actual physical completion of each sub-activity on reporting date also involves management estimation.

Significant judgements are involved in determining the expected losses, when such losses become probable based on the expected total contract cost. Cost contingencies are included in these estimates to take into account specific risks of uncertainties or disputed claims against the Company, arising within each contract. These contingencies are reviewed by the Management on a regular basis throughout the life of the contract and adjusted where appropriate. The revenue on contracts may also include variable consideration (variations and claims). Variable consideration is recognised when the recovery of such consideration is highly probable.

Due to the nature of the contracts, revenue recognition involves usage of percentage of completion method (ie., physical progress of completion) which is determined by survey of work performed, which involves technical expertise, significant judgments, identification of contractual obligations and the Company's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price

and recognition of the liability for loss making contracts/onerous obligations.

As revenue recognition involves aforesaid significant judgement and estimation, we therefore determined this to be a key audit matter.

Our principal audit procedures included but were not limited to:

- We assessed the appropriateness of the Company's revenue recognition policies, including those related to variable considerations by comparing with applicable accounting standards;
- We tested the effectiveness of controls relating to the evaluation of performance obligations and identification of those that are distinct; estimation of costs to complete each of the performance obligations including the contingencies in respect thereof, as work progresses and the impact thereon as a consequence of change orders; the impact of change orders on the transaction price of the related contracts; and evaluation of the impact of variable consideration on the transaction price.
- We selected a sample of contracts with customers and performed the following procedures:
 - Obtained and read contract documents for each selection, change orders and other documents that were part of the agreement/arrangement.
 - Identified significant terms and deliverables in the contract to assess management's conclusions regarding the (i) identification of distinct performance obligations; (ii) changes to costs to complete as work progresses and as a consequence of change orders; (iii) the impact of change orders on the transaction price; and (iv) the evaluation of the adjustment to the transaction price on account of variable consideration.
 - Compared costs incurred with Company's estimates of costs incurred to date to identify significant variations and evaluated whether those variations have been considered appropriately in estimating the remaining costs to complete the contract.
 - Tested the estimate for consistency with the status of delivery of milestones and customer acceptance to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligation.

- Performed analytical audit procedures for reasonableness of revenues disclosed by type and nature of service.
- Substantial reliance was placed on the technical and activity-based assessment made by the management in determination of percentage of physical progress completion.
- Assessed appropriateness of the relevant disclosures made by the company in accordance with IND AS 115.

We concluded that based on the procedures performed above, we did not find any material exceptions with regards to adoption of IND AS 115 and timing of revenue recognition.

2. Recognition and measurement of Shipbuilding Financial Assistance (SBFA)-Government Grant:

[\(Refer Note No.3.15\(b\),33 and 33.6 to the Standalone Financial Statements\)](#)

Shipbuilding Financial Assistance is a monetary incentive granted by the government to the shipyards for construction of vessels eligible shipbuilding contracts, which is to be claimed on after the delivery of the vessels with in the time stipulated under the SBFA policy.

The company has a policy of recognising the assistance over the period of the time in proportionate to the expenses incurred.

During the current year ended March 31,2023, the company has recognised income of ₹1,193.43 lakhs (PY- ₹3,486.17 lakhs), which is essential for the eligible shipbuilding projects. The recognition and realisation of assistance income are based on the applicable rate to the period for which approval is issued by Director General (Shipping).

Considering prominence of the assistance to industry, revenue and profit may undergo a change in such judgements and estimates, we consider this to be area of significance.

Our principal audit procedures in relation to assistance income recognition include:

- We read the relevant notifications issued by the Govt. of India and discussed with the management, to understand the underlying matters and basis for management judgement and estimates including necessary changes made in estimates to address variations noted in past. Also ascertained the prevailing trade practice in the shipbuilding industry;
- We assessed the appropriateness of the company's policy on the recognition of the assistance income by comparing with applicable accounting standards;

- We have correlated the in-principle approval made by the company for eligibility of the vessels coming under assistance policy and verified the claims made by the company on delivery of vessels and subsequent realisation.
- Further, we reviewed and tested the accuracy of the assistance recognised by the management in accordance with SBFA policy, in-principal approval, and expenses incurred;
- We have enquired from the Management and discussed with those charged with governance, the appropriateness in recognising the assistance income;
- We assessed the disclosures in the standalone financial statements in this regard;

Based on the above procedures performed, the recognition of shipbuilding assistance Income is in accordance with applicable financial reporting framework and relevant notifications issued by the Ministry of Ports, Shipping and Waterways, Govt. of India and fairly presented in the standalone financial statements.

Information Other than the Standalone 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 Directors' Report and Management Discussion and Analysis, but does not include the consolidated financial statements, standalone financial statements and our auditor's 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.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

As on the date of this report, the other information was not made available to us by the management. Accordingly, we are unable to comment on this matter.

Responsibility of Management for the Standalone Financial Statements:

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatements, 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.

Those Board of Directors are also responsible for overseeing the company’s financial reporting process.

Auditor’s Responsibility 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 misstatements, 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:

- a. Identify and assess the risks of material misstatements 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;
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- d. 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;
- e. 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;

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work: and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.

Other Matters:

1. The comparative financial information of the company for the year ended 31st March, 2022 included in these Standalone financial statements, are audited by the predecessor auditors of the company and their report dated 20th May, 2022, wherein an unmodified opinion is expressed by them.
2. For the year ended 31st March, 2023, the company has initiated the obtaining of balance confirmations, whereas we have received few confirmations of balances from Trade receivables, Trade Payables and Bank balances. Wherever confirmations not received by us, we have performed alternative audit procedures by verifying the contract documents, invoices raised and communications made for follow up action etc.,

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements:

1. As required under the directions and sub-directions issued by the Comptroller and Auditor General of India in terms of Sub-section (5) of Section 143 of the Companies Act 2013, we are enclosing our report in "**Annexure A**".
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a

statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable our report thereon is enclosed as "**Annexure B**".

3. As required by Section 143(3) of the Act, we report that:
 - a. 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;
 - b. 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 and proper adequate returns have been received from all the regional offices of the company;
 - c. The Company's Balance Sheet, the Statement of Profit and Loss (incl. Other Comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the books of accounts;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with The Companies (Indian Accounting Standards) Rules, 2015, as amended thereon.
 - e. The provisions of Section 164(2) of the Act in respect of disqualification of directors are not applicable to the Company, being a Government Company in terms of notification no. G.S.R.463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India;
 - f. 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 unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

The provisions of Section 197 read with Schedule V of the Act, relating to managerial remuneration are not applicable to the Company, being a Government Company, in terms of Ministry of Corporate Affairs Notification no. G.S.R. 463 (E) dated 5th June, 2015;

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in

our opinion and to the best of our information and according to the explanations given to us:

- i. The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements- Refer Note No.47 to the Standalone Financial Statements;
- ii. The company has made provision, as required under applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts;
- iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company;
- iv. a. The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, 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,
 - 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 it's knowledge and belief, other than as disclosed in the notes to the accounts, 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,
 - 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 as considered reasonable and appropriate in these circumstances, nothing has come to our notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
 - v. The dividend declared/paid by the Company during the year is in compliance with section 123 of the Companies Act, 2013.

Place: Kochi
Date: 19.05.2023

For **Anand and Ponnappan**
Chartered Accountants
FRN00111S

C. Krishnan Menon
Partner
Membership No :074736
UDIN:23074736BGVWVB5466

Annexure – A to the Auditors' Report

Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of the Company of even dated

Report on Directions issued by the Comptroller and Auditor General of India under section 143(5) of the Companies Act, 2013

PART-I- DIRECTIONS

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

Yes. The company has a system in place to process all the accounting transactions through IT system. Based on our audit procedures on test check basis, wherever accounting transactions arises outside the IT system, no instances of lack of integrity of the accounts along with the financial implications has been noted.

- 2. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.**

Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of Lender Company).

No. According to the information & explanations given to us, there is no restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender. As such, there is no financial implication involved.

- 3. Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.**

Yes. Based on our examination of Books of Accounts of the company and as per the information & explanations given to us, the company has received a sum of ₹393.75 lakhs out of the sanction of ₹1312.50 lakhs under the Research and Development Project namely "Hydrogen Fuel Cell Ferry Vessel" from Ministry of Ports, Shipping and Waterways, which is shown under "Deferred Government Assistance" in the Standalone Financial Statements. The funds were properly accounted and utilized as per the terms and conditions of the order and no deviations are observed by us.

For **Anand and Ponnappan**
Chartered Accountants
FRN00111S

C. Krishnan Menon
Partner

Membership No :074736
UDIN:23074736BGVWVB5466

Place: Kochi
Date: 19.05.2023

Annexure – B to the Auditors’ Report

Referred to in Paragraph 2 under “Report on Other Legal and Regulatory Requirements” section of our report to the Members of the Company of even dated

Based on the audit procedures performed and information and explanations given to us, we report that:

i. In respect of the Company’s Property, Plant and Equipment,

- a. The company has maintained proper records showing full particulars w.r.t
 - A. Property, Plant and Equipment including quantitative details and situation thereon and relevant details of right-of-use assets;
 - B. Intangible Assets;
- b. The company has a practice of conducting physical verification of property, plant and equipment’s every year based on a program designed by the management, which in our opinion are reasonable, having regard to the size and the magnitude of the company.

During the year, the internal committee of the company has conducted physical verification of entire Property, Plant and Equipment and given a report confirming the categories of assets verified with no major adverse comments. Based on our examination of working papers with which the process of verifications is carried out, we have not come across any significant deficiencies in this regard;

- c. The company has clear title deeds of immovable properties held in its name, measuring 75.92 Hectares in aggregate; However, with regard to leasehold properties, where company is lessee which are tabulated below are pending registration/ execution of lease agreements.

Description of Property	Area (in Hectares)	Gross carrying Value (₹ in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held since (year)	Reason for not being held in name of company
Leasehold lands- Right to Use Assets						
ISRF Project Land-Phase-I	Land- 8.12	10,202.26	Cochin Port Trust	No	2012	Taken as a Part of "Right to Develop & Operate- ISRF". Pending Registration.
	Adjoin Water body- 15					
ISRF Project Land-Phase-II	Land-8.134		Cochin Port Trust	No	2017	For Phase- II, lease agreement is to be executed.
Bed of backwaters- Reclaimed Land	Land/Water Area-1.914		Cochin Port Trust	No	1977	Yet to executed Lease Agreement.
CSL-Mumbai Ship Repair Unit (CMSRU)-Berth No.5,6,7 & 8 of Indira Docks*	HDD- 2.961	19,314.35	Mumbai Port Trust	No	2018	In the Opinion of the company, the Concessionaire Arrangement/ Agreements does not require registration.

Description of Property	Area (in Hectares)	Gross carrying Value (₹ in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held since (year)	Reason for not being held in name of company
	Open Land Area-1.135					
	Water Area-1.8					
CSL-Kolkata Ship Repair Unit (CKSRU)-Berth No.6 at Netaji Subhas Dock*	Land & Dry Dock Area-2.532	10.04	Syama Prasad Mookerjee Port Trust (Formerly Known as Kolkata Port Trust)	No	2019	

*Lease Rentals are factored in the Annual Fees as determined in Concessionaire Agreement

- d. During the year, the company has not revalued its Property, Plant and Equipment (Inc. Right to Use assets) or Intangible Assets or both. Accordingly reporting under this clause does not arise.
- e. The Company does not hold any benami property. Accordingly, reporting under this clause does not arise.

ii. In respect of the Inventories:

- a. The company has regular program in physical verification of inventories, which is carried out annually. During the year, the management has formed a technical committee for carrying out the physical verification.

Based on documents and reports made available to us and considering the size and nature of industry, the physical verification conducted by the management and policies adopted thereon are reasonable. However, we have not come across any significant deficiencies (ie., more than 10%) in this regard;

- b. The Company has been sanctioned aggregate Non-Fund based limits in excess of ₹5 Crores by the multiple banks, which are availed as and when required. It has also been sanctioned aggregate Fund Based limits in excess of ₹5 Crores by multiple banks which have not been availed by the Company. The Company is not required to file any quarterly returns or statements with the banks.

- iii. The Company has made an investment by way of right issue subscription in its wholly owned subsidiary companies, namely M/s Hooghly Cochin Shipyard Limited and M/s Udipi Cochin Shipyard Limited (formerly known as Tebma Shipyards Limited) amounting to ₹4,600.00 lakhs and ₹2,500.00 lakhs respectively during the year. Further, the company has also given advance to its directors during the year on the same terms and conditions at which it is given to other employees of the company.

- a. The aggregate amount during the year and the balance outstanding at the balance sheet date with respect to such loans, guarantees and securities to subsidiaries, joint ventures and associates and to parties other than subsidiaries, joint ventures and associates are as under:

Particulars	Guarantees	Security	Loans	(₹ in lakhs)
				Advance in nature of loans
Aggregate amount granted/provided during the year				
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	1.40

(₹ in lakhs)

Particulars	Guarantees	Security	Loans	Advance in nature of loans
Balance outstanding (gross) as at the balance sheet date in respect of the above cases				
- Subsidiaries	-	-	500.00	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	0.40

- b. The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, security given during the year are, in our opinion, prima facie, not prejudicial to the Company's interest;
- c. In respect of loans and advances in the nature of loans, the company has stipulated the schedule of repayment of principal and payment of interest and the repayments or receipts are regular;
- d. In respect of loans and advances in the nature of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date;
- e. No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties;
- f. The company has not granted the any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013;
- iv. The company has complied with the provisions of section 185 and 186 of the Companies Act 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The company has not accepted any deposits from the public, hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under, are not applicable.
- vi. The company is maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act.

We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima

facie, the prescribed cost records have been made and maintained.

We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

- a. The company is generally been regular in depositing undisputed applicable statutory dues including provident fund, employees' state insurance, income-tax, sales tax, and service tax, duty of customs, duty of excise, GST, cess and any other statutory dues applicable to it with the appropriate authorities;

There were no outstanding of aforesaid statutory dues as on March 31, 2023 for a period of more than six months from the date they became payable.

- b. There were no dues of GST, Income Tax, value added tax, duty of customs, duty of excise and cess which have not been deposited on account of any dispute except in the cases provided as Annexure-D;

viii. We have not come across any transactions that are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence, the recording of unrecorded income in the books of accounts does not arise.

- ix. a. The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender (ie., banks, financial institutions, Government and other lenders).
- b. To the extent of our knowledge, the company has not been declared willful defaulter by any bank or financial institution or government or any government authorities.
- c. The company has not availed any term loans during the year. Accordingly, reporting for this clause does not arise.
- d. On overall examination of the financial statements of the company, during the year no funds has been raised the company on short term basis. Hence, the point of reporting on utilization and usage of funds for long term purposes by the company will not arise.

- e. The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

Further, the company does not have any associates or joint ventures. Accordingly, reporting with regard to borrowal of money in order to meet the obligations of associates or joint ventures does not arise.

- f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

Further, the company does not have any associates or joint ventures. Accordingly, reporting with relating to raising loans on pledge of securities held in its associates or joint ventures does not arise.

- x. a. The Company has not raised money by way of initial public offer or further public offer (including debt instrument) during the year. Accordingly, reporting under this clause does not arise.
- b. During the year, company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, reporting under this clause is not applicable to the company.

xi. To the best of our knowledge,

- a. No fraud by the company or on the company has been noticed or reported during the year.
- b. No report has been filed by us or the predecessor auditors of the company or cost auditors secretarial auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government in accordance with section 143(12) of the Companies Act, 2013 during the year and upto the date of issuance of this report.
- c. As represented to us by the management, there are no whistle blower complaints received by the company during the year.

- xii.** The company is not a Nidhi company. Hence, the reporting under the provisions of clause (xii) (a), (b) and (c) of the order are not applicable.

- xiii.** In our opinion, all the related party transactions during the financial year are in compliance with Section 177 and 188 of Companies Act, 2013 and the details of the said transactions have been disclosed appropriately in the standalone financial statements in accordance with applicable Ind AS.

- xiv.** a. In our opinion and based on our examination, the company has an adequate internal audit system commensurate with the size and nature of its business.

- b. We have obtained the internal audit reports for the period under audit on a timely manner and duly considered by us, in determining the nature, timing and extent of our audit procedures.

- xv.** In our opinion, the company has not entered into any non-cash transactions with directors or persons connected with its directors during the year and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the company.

- xvi.** The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1935.

Accordingly, the reporting under the provisions of clause (xvi) (b) and (c) of the order does not arise.

Further, in our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under this clause is not applicable to the company.

- xvii.** The company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

- xviii.** There has been no resignation of the statutory auditors during the year and accordingly reporting under this clause does not arise.

- xix.** On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements of the company, our knowledge of the Board of Directors and management plans and based on our examination of the evidences supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as

on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

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 all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. With regard to Corporate Social Responsibility obligation of the company, the Board of Directors of the Company has approved ₹16.06 Crores (ie., ₹1,605.62 lakhs) to be spent for the year, after setting off the ₹40.00 lakhs excess spent during the previous financial year. Accordingly, the Corporate Social Responsibility Committee has identified and recommended the various projects amounting to ₹1,953.73 lakhs for year, which were duly approved by the Board of Directors. However, during the year, the company has spent a sum of ₹1,724.96 lakhs as against the its obligation of ₹1,645.62 lakhs. Accordingly, the company

is eligible to carry forward the excess spent of ₹119.34 lakhs. However, the company has carry-forwarded ₹110.00 lakhs, which is treated as asset in the standalone financial statements.

Further, in our opinion:

- a. there are no unspent amount in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report. However, the time period for such transfer i.e. six months of the expiry of the financial year as permitted under the second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report.
- b. there are no amount remaining unspent to the extent of its statutory obligation, in respect of ongoing projects. Further, the company is not required to transferred the amount remaining unspent in respect of ongoing projects, to a Special Account as permitted under the sub-section (6) of section 135 of the Act.

xxi. The reporting under this clause is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of this clause has been included in this report.

For **Anand and Ponnappan**
Chartered Accountants
FRN00111S

C. Krishnan Menon
Partner

Membership No :074736
UDIN:23074736BGVWVB5466

Place: Kochi
Date: 19.05.2023

Annexure – C to the Auditors' Report

Referred to in Paragraph 3(f) under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of the Company of even dated.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financials Controls over Financial Reporting of Cochin Shipyard Limited (referred to as the "Company") for the year ended March 31, 2023, in conjunction with our audit of the Standalone Financial Statements of the company.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide us 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 standalone 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:

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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.

Place: Kochi
Date: 19.05.2023

Opinion

In our opinion, the company has in all material respects, maintains adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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.

For **Anand and Ponnappan**
Chartered Accountants
FRN00111S

C. Krishnan Menon
Partner
Membership No :074736
UDIN:23074736BGVWVB5466

Annexure – D to the Auditors' Report

Referred to in Clause vii (b) of Annexure-B to the Auditors' Report of our report to the Members of the Company of even dated.

Name of the Statute	Nature of Dues	Amount (In lakhs)		Period to which the amount relates	Forum where dispute is pending		
		Disputed	Deposited				
Employees State Insurance Act, 1948	Contribution	35.82	-	April 2008 to May 2010	Hon'ble Insurance Court, Alappuzha		
	Claim for Damages & Interest for belated remittance	19.84	1.00	June 2010 to July 2013			
Finance Act, 1994 (Service Tax)	Amount received from Indian Navy for Design and Development of IAC	Service Tax	1,647.47		2004-05	CESTAT, Bangalore	
		Interest	5,519.15	123.56			
		Penalty	1,647.57				
	Amount received from Indian Navy for construction of IAC accounted under the head Management Fee/handling charges on IAC P-71	Service Tax	323.04		2009-10		
		Interest	872.12	24.23			
		Penalty	323.14				
	1.RCM on towing the barge along with security services; 2. Salvage operations; 3.RCM on guaranteed Repairs obligations for the period 2012-13 to 2016-17	Service Tax	279.46		2012-13 to 2016-17		
		Interest	430.32	20.96			
		Penalty	279.56				
	1. Differential Turnover for Ship Repair activities (incl. adoption of lesser assessable value); 2. Disallowance of CENVAT credit availed and utilized;	Service Tax	150.57		2015-16		
		Interest	160.69	11.29			
		Penalty	15.06				
	Levy of Service Tax on the Training fee received by the yard from the Marine Engineering Training Institute (METI) run by the Company	Service Tax	51.24		2016-17 to 2017-18 (upto June 2017)		Commissioner (Appeals)
		Interest	43.11	3.87			
Penalty		5.10					
Kerala Value Added Tax Act, 2003	Additions in Taxable Turnover	Tax	787.32		AY 2015-16	Deputy Commissioner of State Tax, Ernakulam	
		Interest	582.62	-			
The Customs Act, 1962 #	Classification of Drawings & Plan for Indigenous Aircraft Carrier	Duty	269.30	323.67	March 2016 to Dec 2016	CESTAT, Bangalore	
		Duty	103.97	104.79	April 2017		
		Duty	306.97	309.37	April 2017		
		Duty	789.71	795.88	April 2017		
		Duty	762.48	768.43	April 2017		
		Duty	1,790.93	293.46	April 2017		
		Duty	230.54	526.81	Nov 2017		
		Tax	296.26				
		Duty	89.59	198.07	June 2018		
		Tax	108.48				
		Duty	262.86	581.88	Dec 2018		
		Tax	318.30				
		Duty	191.22	187.43	June 2018		
	Tax	231.55					
Wrong claim of basic customs Duty Exemption Vide Notification No.50/2017 and Incorrect claim of 5% IGST Input Tax Credit	Duty	629.34					
	Penalty	230.00	607.23	August 2017 to October 2017			

Name of the Statute	Nature of Dues	Amount (In lakhs)		Period to which the amount relates	Forum where dispute is pending	
		Disputed	Deposited			
Income Tax Act, 1961	Disallowance of Expenditures/Provisions/Deductions	126.26	126.26	AY 2010-11	Commissioner of Income Tax (Appeals)	
		911.07	928.89	AY 2014-15		
		331.77	331.77	AY 2017-18		
		20.76	22.01	AY 2018-19		
		819.51	598.94	AY 2020-21		
		27.16	94.39	AY 2021-22		
Department Appeal's						
	Erroneous remittance of service tax on the amount of Management fee/handling charges received/accounted from Indian Navy	Service Tax	376.67	-	2004-05 to 2008-09	
Finance Act, 1994 (Service Tax)	1. Differential Turnover for Ship Repair activities (incl. adoption of lesser assessable value); 2. Disallowance of CENVAT credit availed and utilized;	Service Tax	2,339.64	-	2012-13 to 2014-15	CESTAT, Bangalore
	Management, Maintenance or Repairs vessels owned by UTLA & Manned by LDCL	Service Tax	1,885.49	-	July 2012 to March 2015	

* Interest on Service Tax Cases where company has gone for appeal worked out approximately.

Customs dues are reported based on the records made available to us.

For **Anand and Ponnappan**
Chartered Accountants
FRN00111S

C. Krishnan Menon
Partner

Place: Kochi
Date: 19.05.2023

Membership No :074736
UDIN:23074736BGVWVB5466

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF COCHIN SHIPYARD LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of financial statements of Cochin Shipyard Limited for the year ended 31 March 2023 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 auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 19.05.2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Cochin Shipyard Limited for the year ended 31 March 2023 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

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

Place: Chennai
Date: 04.08.2023

(S. Velliangiri)
Principal Director of Commercial Audit

Standalone Balance Sheet

as at March 31, 2023

Particulars	Note No.	(₹ in lakhs)	
		As at Mar 31, 2023	As at Mar 31, 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	70,673.97	73,582.31
(b) Capital work-in-progress	4	1,58,746.93	1,22,416.19
(c) Intangible assets	5	945.38	440.15
(d) Intangible assets under development	6	1,602.37	2,303.95
(e) Financial assets			
(i) Investments	7	33,560.71	26,158.09
(ii) Loans	8	1,033.82	861.06
(iii) Other Financial Assets	9	90.67	99.12
(f) Income tax assets (net)	10	2,906.66	3,386.91
(g) Deferred tax assets (net)	11	5,691.94	6,785.94
(h) Other non-current assets	12	17,600.41	18,903.00
Total Non-Current assets		2,92,852.86	2,54,936.72
Current assets			
(a) Inventories	13	35,045.02	28,843.82
(b) Financial Assets			
(i) Trade receivables	14	33,020.51	43,667.15
(ii) Cash and cash equivalents	15	2,00,882.78	45,575.92
(iii) Bank balances other than (ii) above	16	2,66,297.74	2,70,706.76
(iv) Loans	17	99.50	68.56
(v) Other Financial assets	18	3,396.47	1,465.40
(c) Current tax assets (net)	10	7,147.48	-
(d) Other current assets	19	1,52,162.14	1,86,582.95
Total Current assets		6,98,051.64	5,76,910.56
Total Assets		9,90,904.50	8,31,847.28
EQUITY AND LIABILITIES			
Equity :			
(a) Equity share capital	20	13,154.04	13,154.04
(b) Other equity	21	4,29,187.83	4,22,763.93
Total Equity		4,42,341.87	4,35,917.97
Liabilities :			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	2,302.20	12,581.98
(ii) Lease Liabilities	23	39,227.30	38,680.71
(iii) Other financial liabilities	24	261.22	261.22
(b) Provisions	25	3,923.34	3,551.00
(c) Other non current liabilities	26	248.98	9.16
Total Non-Current Liabilities		45,963.04	55,084.07
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	27	10,279.78	-
(ii) Lease Liabilities	28	4,898.68	3,374.84
(iii) Trade payables	29		
Total outstanding dues of Micro Enterprises and Small Enterprises		4,991.65	701.25
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		15,815.39	15,761.55
(iv) Other financial liabilities	30	14,412.88	15,664.47
(b) Other current liabilities	31	4,12,822.00	2,56,025.18
(c) Provisions	32	39,379.21	46,751.86
(d) Current tax liabilities (net)	10	0.00	2,566.09
Total Current Liabilities		5,02,599.59	3,40,845.24
Total Equity and Liabilities		9,90,904.50	8,31,847.28
Corporate overview and Significant Accounting Policies	1 - 2		
Notes to the Standalone Financial Statements	3 - 69		

The accompanying notes are an integral part of these financial statements

As per our report attached

For and on behalf of Board of Directors

For M/s Anand & Ponnappan

Chartered Accountants
(Firm Registration No.000111S)

SYAMKAMAL N

Company Secretary
Membership No. A25337

BEJOY BHASKER

Director (Technical)
DIN - 08103825

C. KRISHNAN MENON

Partner
(Membership Number: 074736)
Kochi, dated May 19, 2023

JOSE V J

Director (Finance) & Chief Financial Officer
DIN - 08444440
Kochi, dated May 19, 2023

MADHU S NAIR

Chairman and Managing Director
DIN - 07376798

Standalone Statement of Profit & Loss

For the year ended March 31, 2023

(₹ in lakhs)

Particulars	Note No.	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
I Income			
Revenue from operations	33	233045.88	319000.25
Other income	34	20648.88	26641.68
Total Income		253694.76	345641.93
II Expenses:			
Cost of materials consumed	35	110284.74	161516.94
Sub contract and other direct expenses	36	43078.72	41251.43
Employee benefits expenses	37	32363.20	30588.56
Finance costs	38	3373.55	4648.04
Depreciation and amortisation expenses	39	5114.62	5441.00
Other expenses	40	19811.41	18140.75
Provision for anticipated losses and expenditure	41	999.21	4616.15
Total expenses		215025.45	266202.87
III Profit before Exceptional items and tax		38669.31	79439.06
IV Exceptional items	42	6181.35	0.00
V Profit after Exceptional items and before tax		44850.66	79439.06
VI Tax expense:			
(1) Current tax	10	10307.80	19687.24
(2) Deferred tax	10	1094.00	1095.00
VII Profit for the year		33448.86	58656.82
VIII Other comprehensive income			
A) Items that will be reclassified to profit or loss			
i) Effective portion of gains/losses on cash flow hedging instruments		(4781.91)	(119.78)
ii) Income tax relating to items that will be reclassified to profit or loss		1203.51	30.15
B) Items that will not be reclassified to profit or loss			
i) Remeasurements of defined employee benefit obligations		(132.82)	(23.00)
ii) Changes in fair value of FVTOCI equity instruments		2.14	0.00
ii) Income tax relating to items that will not be reclassified to profit or loss		33.59	5.98
Other comprehensive income for the year		(3675.49)	(106.65)
IX Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period)		29773.37	58550.17
X Earnings per equity share of ₹ 10 each :	43		
(1) Basic (₹)		25.43	44.59
(2) Diluted (₹)		25.43	44.59
Corporate overview and Significant Accounting Policies	1 - 2		
Notes to the Standalone Financial Statements	3 - 69		

The accompanying notes are an integral part of these financial statements

As per our report attached

For and on behalf of Board of Directors**For M/s Anand & Ponnappan**

Chartered Accountants

(Firm Registration No.000111S)

SYAMKAMAL N

Company Secretary

Membership No. A25337

BEJOY BHASKER

Director (Technical)

DIN - 08103825

C. KRISHNAN MENON

Partner

(Membership Number: 074736)

Kochi, dated May 19, 2023

JOSE V J

Director (Finance) & Chief Financial Officer

DIN - 08444440

Kochi, dated May 19, 2023

MADHU S NAIR

Chairman and Managing Director

DIN - 07376798

Standalone Statement of Cash Flows

For the year ended March 31, 2023

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
A. Cash flow from operating activities		
Profit before tax	44,850.66	79,439.06
Adjustments for :		
Exceptional items	(6,181.35)	-
Depreciation and amortisation expense	5,628.26	5,604.75
Diminution in value of Loose tools	133.33	-
Finance cost	3,373.55	4,648.04
Interest income	(12,810.64)	(7,587.24)
Dividend income from preference shares	(300.48)	(285.99)
Loss on sale/write off of property, plant and equipment	0.69	1.02
Profit on sale of Fixed assets	(6.11)	-
Deferred Govt. Assistance	(1.14)	(1.14)
Loss/(gain) on derivative contracts (net)	-	(178.41)
Net (gain) /loss on foreign currency transactions	103.45	(173.26)
Operating cash flow before working capital changes	34,790.22	81,466.83
Movements in working capital :		
(Increase) / decrease in inventories	(6,201.20)	13,446.95
(Increase) / decrease in trade, other receivables and assets	38,258.28	13,400.94
Increase / (decrease) in trade and other payables	1,49,604.74	48,292.36
	2,16,452.05	1,56,607.08
Income tax paid net of refunds	(11,338.00)	(15,092.50)
Net cash flows from operating activities (A)	2,05,114.05	1,41,514.58
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(2,699.97)	(3,878.79)
(Increase) / decrease in Intangible assets under development	701.58	-
(Increase) / decrease in capital work In progress	(30,149.39)	(18,555.79)
(Increase) / decrease in Other Bank balances	4,409.02	(85,040.89)
(Increase) / decrease in Capital advance	1,319.65	3,112.61
Investment in equity shares of subsidiaries	(7,100.00)	-
Investment in NCDs of Subsidiaries	-	(4,100.00)
Sale proceeds from PPE	46.15	3.78
Interest received	10,893.74	7,384.39
Net cash flows from investing activities (B)	(22,579.22)	(1,01,074.69)

Standalone Statement of Cash Flows

For the year ended March 31, 2023

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
C. Cash flow from financing activities		
(Borrowings)/ Repayment of loans	(203.70)	(67.60)
Net gain/(loss) on foreign currency transactions	(213.48)	143.43
Repayment of lease liability	(2,410.06)	(2,471.99)
Dividend paid	(23,348.40)	(20,388.76)
Finance cost	(1,052.33)	(1,051.55)
Net cash flows from financing activities (C)	(27,227.97)	(23,836.47)
D. Net Increase in Cash & Cash Equivalents (A)+(B)+(C)	1,55,306.86	16,603.42
Cash and cash equivalent at the beginning of the Year	45,575.92	28,972.49
Cash and cash equivalent at the end of the Year	2,00,882.78	45,575.92
Cash and Cash Equivalents include earmarked funds of ₹169785 lakhs as on March 31, 2023		
Corporate overview and Significant Accounting Policies	1 - 2	
Notes to the Standalone Financial Statements	3 - 69	

The accompanying notes are an integral part of these financial statements

As per our report attached

For and on behalf of Board of Directors

For M/s Anand & Ponnappan

Chartered Accountants
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SYAMKAMAL N

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MADHU S NAIR

Chairman and Managing Director
DIN - 07376798

Standalone Statement of Changes in Equity

For the year ended March 31, 2023

A. Equity Share Capital

(₹ in lakhs)

Balance at the beginning of the current reporting period	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 year	As at March 31, 2023
13,154.04	0.00	0.00	0.00	13,154.04

Standalone Statement of Changes in Equity for the year ended March 31, 2022

Balance as at April 01, 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 year	As at March 31, 2022
13,154.04	0.00	0.00	0.00	13,154.04

B. Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus						Other Comprehensive Income	Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Debenture Redemption Reserve	Effective portion of Cash Flow Hedges	
Balance as at April 01, 2022	263.56	93,152.08	6,322.75	3,09,002.37	12,353.76	1,668.44	0.97	4,22,763.93
Changes in accounting policy or prior period errors								-
Restated balance at the beginning of the reporting period	263.56	93,152.08	6,322.75	3,09,002.37	12,353.76	1,668.44	0.97	4,22,763.93
Profit for the year				33,448.86				33,448.86
Other comprehensive income for the year				(97.09)			(3,579.37)	(3,676.46)
Total comprehensive income for the year				33,351.77	-	-	(3,579.37)	29,772.40
Dividends				(23,348.38)				(23,348.38)
Transfer to retained earnings							-	0.00
Amortisation of premium		(0.12)						(0.12)
Balance as at March 31, 2023	263.56	93,151.96	6,322.75	3,19,005.76	12,353.76	1,668.44	(3,578.40)	4,29,187.83

Refer Note 21 for further details

Standalone Statement of Changes in Equity

For the year ended March 31, 2023

(₹ in lakhs)

Particulars	Reserves and Surplus						Other Comprehensive Income	Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Debenture Redemption Reserve	Effective portion of Cash Flow Hedges	
Balance as at April 01, 2021	263.56	93,152.20	6,322.75	2,70,751.33	12,353.76	1,668.44	90.60	3,84,602.64
Changes in accounting policy or prior period errors								-
Restated balance at the beginning of the reporting period	263.56	93,152.20	6,322.75	2,70,751.33	12,353.76	1,668.44	90.60	3,84,602.64
Prior period adjustments								
Profit for the year				58,656.82				58,656.82
Other comprehensive income for the year				(17.02)			(89.63)	(106.65)
Total comprehensive income for the year				58,639.80			(89.63)	58,550.17
Dividends (including taxes)				(20,388.76)				(20,388.76)
Transfer to retained earnings							-	0.00
Amortisation of premium		(0.12)						(0.12)
Balance as at March 31, 2022	263.56	93,152.08	6,322.75	3,09,002.37	12,353.76	1,668.44	0.97	4,22,763.93

Refer Note 21 for further details

The accompanying notes are an integral part of these financial statements

As per our report attached

For and on behalf of Board of Directors**For M/s Anand & Ponnappan**

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Chairman and Managing Director

DIN - 07376798

Notes to the Standalone Financial Statements for the year ended March 31, 2023

1. CORPORATE OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1.1. Corporate information

Cochin Shipyard Limited (referred to as “CSL” or “the Company”) is one of the leading shipyards in India, located in the southern state of Kerala. The company was founded in 1972 and is owned by the Government of India. The Company is primarily engaged in shipbuilding and ship repair, catering to both the domestic and international markets. The Company is a “Miniratna”, Schedule-“B”, Category-I CPSE, which also a public limited company incorporated and domiciled in India. The registered office of the Company is Perumanoor, Kochi, Kerala. As at March 31, 2023, the Government of India holds 72.86% of the Company’s equity share capital. The Company’s equity shares are listed for trading on NSE Limited and BSE Limited in India and tax-free bonds are listed for trading on BSE Limited. The financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on May 19, 2023.

2. Basis of preparation and presentation of Financial Statements

2.1 Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other Accounting Principles generally accepted in India.

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division II of Schedule III to the Companies Act, 2013 (the Act). The Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 “Statement of Cash Flows”. The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially

adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Accounting policies at 3.1, 3.6, 3.10, 3.15, 3.16, 3.25 have been modified/reworded which do/do not have any impact on the financial statements but to bring in more clarity to the users of the financial statements.

2.2. Functional and Presentation Currency

The financial statements are presented in Indian Rupees (₹) which is Company’s presentation and functional currency and all values are rounded to the nearest lakhs (rounded off to two decimals) as permitted by Schedule III of the Act except when otherwise indicated.

2.3. Basis of Measurement

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Current/ Non-Current Classification

An Asset/ liability is classified as current if it satisfies any of the following conditions:

- i. the asset/ liability is expected to be realized/ settled in the Company’s normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/ liability is held primarily for the purpose of trading;
- iv. the asset/ liability is expected to be realized/ settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/ non-current classification of assets and liabilities, the company has ascertained its normal operating cycle of different business activities as follows:

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

- (i) In case of ship building and ship repair, normal operating cycle is considered vessel wise, as the time period from the effective date of contract to the date of delivery of the vessel.
- (ii) In the case of other business activities, normal operating cycle is 12 months.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognized in the period in which the results are known/materialize. The estimates and underlying assumptions are reviewed on an ongoing basis.

2.5 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:

Valuation of deferred tax assets / liabilities

The Company reviews the carrying amount of deferred tax assets / liabilities at the end of each reporting period. Significant judgements are involved in determining the elements of deferred tax items.

Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgements in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of

ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

For computation of lease liability, Ind AS 116 requires lessee to use their incremental borrowing rate as discount rate if the rate implicit in the lease contract cannot be readily determined. For leases denominated in Company's functional currency, the Company considers the incremental borrowing rate to be the interest rate on borrowings from banks available to the company.

Provision towards Guarantee repairs

A provision is made towards guarantee repairs/claims in respect of newly built ships/small crafts delivered and repaired ships on the basis of the technical estimation done by the Company. The guarantee claims received from the ship owners are reviewed every year till settlement of the same. In case of a shortfall in the provision made earlier, additional provisions are made.

Litigations

From time to time, the Company is subject to legal proceedings and the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgment is made when evaluating, among other factors, the probability of unfavourable outcome and the liability to make a reasonable estimate of the amount of potential loss. Provision for litigations are reviewed at the end of each accounting period and revisions made for the changes in facts and circumstances.

Fair value measurements

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 under current market conditions. The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Notes to the Standalone Financial Statements for the year ended March 31, 2023

- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Liquidated Damages

Claims for liquidated damages against the Company are recognized in the financial statements based on the management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.

Revenue Recognition

The Company exercises significant judgement in measuring progress of performance obligations satisfied over time for recognition of revenue from contracts with customers. Provision for estimated losses if any, on the uncompleted part of the contracts are provided in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the Government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post employment benefit obligations.

3. Significant Accounting Policies

3.1 Property, Plant and Equipment (PPE)

Property, Plant and Equipments are stated at cost less accumulated depreciation (other than free hold land which are stated at cost) and impairment losses, if any. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management including non refundable duties and taxes net of any trade discounts and rebates. The cost of PPE also includes interest on borrowings (borrowing cost directly attributable to acquisition, construction or production of qualifying assets) upto initial recognition. Spare Parts are capitalized when they meet the definition of PPE, i.e., when the Company intends to use these for a period exceeding 12 months, which have value of more than ₹5 lakhs (limited needs to be decided by the Management) which can be used only in connection with an item of property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the spares or principal item of the relevant assets, whichever is lower. The initial estimate of the cost of dismantling, removing the item and restoring the site on which PPE is located, the obligation for which is incurred when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during the period, is capitalized as a component of PPE. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the items are material and can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

The Company had applied for the one-time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2015 as the deemed cost under Ind AS. Hence regarded thereafter as historical cost.

3.2 Capital work in progress

Capital work in progress are property, plant and equipment that are not yet ready for their intended use at the reporting

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

date, which are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

Expenditure incurred on assets under construction (including a project) is carried at cost under Capital work in Progress ('CWIP'). Such costs comprises purchase price (after deducting trade discount/ rebate) including non-refundable duties and taxes and other costs that are 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.

3.3 Intangible Assets

Design development: Cost incurred on Design Development which are not directly chargeable on a product are capitalized as Intangible Asset and amortised on a straight-line basis over a period of five years.

Software: Cost of software which is not an integral part of the related hardware acquired for internal use is capitalised as intangible asset and amortised on a straight-line basis over a period of three years.

Internally generated procedure: Cost of internally generated procedure is capitalized as Intangible Asset and amortised on a straight-line basis over a period of three years.

The Company had applied for the one-time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2015 as the deemed cost under Ind AS. Hence regarded thereafter as historical cost.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Computer software/ license is under development or is not yet ready for use, accumulated cost incurred on such items are accounted as "Intangible Assets Under Development".

3.4 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

The Company's lease asset classes primarily consist of leases for Land and Buildings.

As a Lessee:

At the date of commencement of the lease, the Company recognises a lease liability and a corresponding right-of-use ("RoU") asset for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis or another systematic basis over the term of the lease.

Right of Use Assets

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Lease Liabilities

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and RoU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the RoU asset. Any gain or loss on modification is recognized in the Statement of Profit and Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at

Notes to the Standalone Financial Statements for the year ended March 31, 2023

a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

As a lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease.

For operating leases, rental income is recognized on a straight line basis or another systematic basis over the term of the relevant lease. The difference between the amount recognised as lease rental income and actual cashflows receivable as per the lease agreement is adjusted in ("Accrued Lease Rental asset").

3.5 Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses. Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Part C of Schedule II to Companies Act 2013. Investment properties are de-recognised either on disposal or on permanent withdrawal from use. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss.

3.6 Depreciation

Depreciation on property, plant and equipment is provided on straight-line method based on useful life of the asset as prescribed in part C of Schedule II to the Companies Act, 2013 except to the extent described below:

- * For the assets acquired from Cochin Port Trust for International Ship Repair Facility (ISRF), depreciation is provided on the basis of remaining useful life as assessed by technical experts.
- * Assets on leased premises are depreciated from the commencement date on a straight line basis over the shorter of its the end of the useful life of the Right Of Use asset/ Assets on leased premises or the end of the lease term.

- * Depreciation on additions/deletions to Gross Block is calculated on pro-rata basis from the date of such additions and upto the date of such deletions.

Depreciable amount is the cost of an asset, or other amount substituted for cost, less its residual value. A maximum residual value of 5% of original cost is considered for all category of assets.

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

Management believes that useful life of assets are same as those prescribed in Part C of Schedule II to the Act, except for certain types of buildings and equipments wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act.

Based on the technical evaluation of the management, for few categories of plant and machinery, the useful life is determined on double shift basis.

Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for certain types of buildings and equipments wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II to Companies Act, 2013.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain/loss arising on derecognition of the asset is included in the Statement of profit and loss when the asset is derecognised. Fully depreciated assets still in use are retained in financial Statements at residual value.

Capital Work in Progress included under Property, Plant and equipment are not depreciated as these assets are not yet available for use. However, they are tested for impairment if any.

3.7 Impairment of Assets -Non Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less cost of disposal and its value in use. Recoverable

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, available quoted market prices for public traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

3.8 Non-current assets held for sale

The Company classifies a non-current asset as held for sale if carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition and its sale is highly probable.

Non-current assets including discontinued operations, classified as held for sale are measured at the lower of the carrying amounts and fair value less costs to sell and presented separately in the financial statements. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item in statement of profit and loss.

3.9 Investment in subsidiary

The Company has accounted for its equity investments in subsidiaries at cost in accordance with 'Ind AS- 27, Separate Financial Statements' and are tested for impairment in case of any indication of impairment in accordance with Ind AS- 38, Impairment of Assets.

3.10 Inventories

Raw materials and components are valued at weighted average cost method or net realisable value whichever is lower. However, Raw materials, components and other supplies held for use in the production /services are not written down below cost if the finished products/supply of services in which they will be incorporated are expected to be sold at or above cost. Stores and spares are valued at weighted average cost method. Goods in transit are valued at cost .

3.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Equity Instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recognised at the proceeds received net of direct issue cost.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Financial Assets

Initial recognition and measurement

All Financial Assets other than trade receivables are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the Financial Asset. Transaction costs directly attributable to the acquisition of financial assets measured at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

Subsequent measurement

For the purpose of subsequent measurement, Financial Assets are classified in three categories:

- * Financial assets at amortised cost;
- * Financial assets at Fair Value through other comprehensive income (FVTOCI);
- * Financial assets at Fair Value through statement of profit and loss (FVTPL);

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.

Financial assets at Fair Value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

Financial assets at Fair Value through statement of profit and loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Investments

All equity investments in scope of Ind AS 109 Financial Instruments, are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company had made an irrevocable election to present the subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition/transition and is irrevocable. There is no recycling/reclassification of the amounts from OCI to the Statement of Profit and Loss, even on sale/disposal of the said equity investments.

Investment in preference shares/debentures of the subsidiaries are treated as equity instruments if the same are convertible into equity shares. Investment in preference shares/debentures not meeting the aforesaid condition is classified as debt instruments at amortised cost.

Investment in a 'debt instrument' is measured at the amortised cost if both the following conditions are met: The asset is held within a business model whose objective is - (1) To hold assets for collecting contractual cash flows, and (2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the Effective Interest Rate (EIR). The EIR amortisation is included in other income in the Statement of Profit and Loss.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial Assets that are Debt Instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial guarantee contracts which are not subsequently measured as at FVTPL.

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to the Standalone Financial Statements for the year ended March 31, 2023

c) Lease Receivables under Ind AS 116.

Simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables.

Trade Receivables

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as contract asset. A receivable is a right to consideration that is unconditional and only the passage of time is required before the payment of that consideration is due. The Company assesses at each Balance Sheet date whether a financial asset or a group of financial asset is impaired. Ind AS 109 requires expected credit loss to be measured through a loss allowance.

The Company recognises lifetime expected credit losses for all trade receivables that do not constitute a financing transaction. Impairment loss allowance is based on a simplified approach as permitted by Ind AS 109. As a practical expedient, the company uses a provision matrix to determine the impairment loss on the portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates provision on trade receivables at the reporting date. Impairment loss allowance (or reversal) that is required to be recognised at the reporting date is recognised as an impairment loss or gain in the Statement of Profit & Loss Account.

General Approach

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-months ECL. Lifetime ECL are the expected credit losses resulting

from all possible default events over the expected life of a financial instrument. The 12-months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL impairment loss allowance (or reversal) recognized during the period is recognized in the Statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

- * Financial Assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- * Financial Guarantee contracts: ECL is presented as a provision in the Balance Sheet, i.e. as a liability.
- * Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

Financial liabilities

Initial recognition and measurement

Financial Liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost, as appropriate. All Financial Liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortised cost, they are measured net of directly attributable transaction cost. In case of Financial Liabilities measured at fair value through profit or loss, transaction costs directly attributable to the acquisition of financial liabilities are recognized immediately in the Statement of Profit and Loss. The Company's Financial Liabilities include trade and other payables, loans and borrowings including financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Notes to the Standalone Financial Statements for the year ended March 31, 2023

- * Financial liabilities at Fair Value through statement of profit and loss (FVTPL);
- * Financial liabilities at amortised cost;
- * Financial Guarantee Contracts;

Financial Liabilities at fair value through profit or loss

Financial Liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through the Statement of Profit and Loss. Financial Liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial Liabilities at amortised cost

Financial Liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make the payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction cost that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognized less cumulative income recognized in accordance with principles of Ind AS 115.

De-recognition of Financial Instruments

A financial asset is de-recognised when:

- * The rights to receive cash flows from the asset have expired, or
- * the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. A financial liability or a part of financial liability is de-recognised from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative instruments and hedge accounting:

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value of derivatives depends on the designation or non- designation of derivative as hedging instruments. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivative that are designated as Hedge Instrument

The Company undertakes foreign exchange forward contracts for hedging foreign currency risks. The Company

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to the Standalone Financial Statements for the year ended March 31, 2023

generally designates the whole forward contract as hedging instrument.

These hedging instruments are governed by the Company's foreign exchange risk management policy approved by the Board of Directors.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that the hedge is actually have been highly effective throughout the financial reporting periods for which it was designated.

The effective portion of change in the fair value of the designated hedging instrument is recognised in the Other Comprehensive Income ('OCI') and accumulated under the heading Cash Flow Hedge Reserve within Equity. The gain or loss relating to the ineffective portion is recognized immediately in the Statement of Profit and Loss and included in the Other Income or Other Expenses as Gain on Derivatives or Loss on Derivatives respectively. Amounts previously recognized in OCI and accumulated in equity relating to effective portion are reclassified to Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line item as the recognized hedged item or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting.

Contract Assets

Where the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Company presents the contract as a contract asset. A contract asset is Company's right to consideration in exchange for goods or services that the Company has transferred to a customer, when that right is conditioned on something other than the passage of time. Contract assets are reviewed for impairment in accordance with Ind AS 109.

Contract Liabilities

Where the Company receives consideration, or the Company has a right to an amount of consideration that is unconditional (ie a receivable), before the Company transfers a good or service to the customer, the Company presents the contract as a contract liability when the payment is made or the payment is due (whichever is earlier). A contract liability is Company's obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer.

3.12 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.

3.13 Foreign Currency Transactions

Functional & Presentation Currency

The financial statements are presented in Indian Rupees ("INR"), which is the functional currency and presentation currency of the Company.

Transactions & Balances:

Foreign exchange transactions are recorded in functional currency adopting the exchange rate prevailing on the dates of respective transactions. Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) at the year-end end of reporting period are re-measured at the exchange rate prevailing on that the balance sheet date. Non-monetary foreign currency items are carried at

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to the Standalone Financial Statements for the year ended March 31, 2023

cost. Non-monetary items denominated in foreign currency, (such as PPE, intangible assets, equity investments, capital/ revenue advances other than expected to be settled in cash etc.) are recorded at the exchange rate prevailing on the date of the transaction. Any gains or losses income or expense on account of exchange differences either at the time of translation or settlement on settlement or on restatement is are recognised in the statement of Profit and Loss.

3.14 Provisions , Contingent Liabilities and Contingent assets

Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions (excluding retirement benefits and compensated leave) are not discounted to its present value and are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. These are reviewed at each reporting date adjusted to reflect the current best estimates.

Provision towards guarantee claims in respect of ships/ small crafts delivered wherever provided/ maintained is based on technical estimation. For the ships delivered, guarantee claims are covered by way of insurance policies covering the guarantee period on case to case basis, wherever required.

Contingent Liabilities and Contingent Assets

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, the Company treats them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, Company does not expect them to have a materially adverse impact on our financial position or profitability. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognize a contingent asset but discloses its existence in the financial statements where an inflow of economic benefits is probable.

3.15 Revenue Recognition

a) Revenue from Operations

Revenue from contracts with customers is measured based on transaction price, which is the fair value of consideration received or receivable. Revenue is recognized when the company satisfies performance obligations by transferring promised goods and services to the customer over a period of time using output method based on measurement of physical performance completed to date in respect of contracts with customers for ship building and ship repair other than Indigenous Aircraft Carrier (IAC).

Recognition of Revenue for a performance obligation satisfied over time, is made only if the company can reasonably measure its progress towards complete satisfaction of the performance obligation. Based on the technical assessment considering the latest available information to the company, measuring the progress towards complete satisfaction of a performance obligation in the method adopted will be revised/updated on an ongoing basis. During the initial stages of a contract, where the company may not be able to reasonably measure the outcome of a performance obligation and the company expects to recover the costs incurred in satisfying the performance obligation, revenue will be recognised only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

In respect of contract with Indian Navy for construction of Indigenous Aircraft Carrier, which is partly 'fixed price basis' and partly 'cost plus basis', the revenue from fixed price portion is recognized as explained above. The revenue by way of mark up from cost plus part of the contract for procuring and supply of materials and design outsourcing is recognized when performance obligations as per the terms of the contract are fulfilled upon making payments to the suppliers. The cost of materials, value of design outsourcing and other expenses incurred for the vessel which are recoverable separately from Navy are charged off to the statement of Profit and Loss when materials are consumed/ activities are performed/expenses are incurred and are simultaneously grossed up with the value of work done and recognized as income.

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Other Operating Revenue is recognized at the point of time when the company satisfies performance obligations by transferring promised goods and services to the customer. Management fee is also recognised over a period of time.

Contract modifications are accounted when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the stand alone selling price. Where the goods or services added are not distinct, adjustment to revenue is made on a cumulative catch up basis. Where the goods or services added are distinct, and such additional goods or services are priced at standalone selling prices, the contract modification is accounted for as a separate contract; whereas if the modification is not priced at standalone selling price, the same is accounted as a termination of the existing contract and creation of a new contract.

If the consideration promised in a contract includes variable amounts like discounts, rebates, refunds, credits, price concessions, liquidated damages or other similar items, the Company estimates the net amount of consideration to which the Company is entitled in exchange for transferring the promised goods or services to a customer and accounts for the same. The payment terms are based on milestones specified in the respective contracts with customers. On achieving the specified milestones these payments are released.

b) Government Grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses, the related costs for which the grants are intended to compensate. Where the Grant relates to an asset value, it is recognised as deferred income, and amortised over the expected useful life of the asset. Other grants are recognised in the statement of Profit & Loss concurrent to the expenses to which such grants relate/ are intended to cover. Ship Building Financial Assistance(SBFA) is

recognised over a period of time in proportion to the expenses / cost incurred and classified under "other operating revenue".

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in statement of profit & loss in the period in which they become receivable.

c) Other income

i) Liquidated damages and interest on advances

No income is recognized on (a) interest on advances given and (b) liquidated damages, where the levies depend on decisions regarding force majeure condition of contract. These are accounted for on completion of contracts and / or when final decisions are taken.

In the case of contracts entered into for execution of capital works having long gestation period, where the extant commercial terms of the contract provides for provision of extending interest bearing mobilisation advance to the service provider for mobilising various resources for timely execution, mobilisation advances are paid and interest is accounted on accrual basis.

ii) Accounting for insurance claims

(i) Warranty/Builder Risk claims

In the case of guarantee defects covered under warranty insurance policies or claims under Insurance Policies taken for ship building and ship repair works, the insurance claims lodged are recognized in the financial statements in the year in which the survey is completed and the probable amount of settlement intimated by the insurance Company.

(ii) Other Insurance Policies

In the case of other Insurance Policies like Asset Insurance, Transit Insurance, Marine Insurance, Cash Insurance etc., the claims are recognized in the the financial statements on settlement of the claims by way of receipt of the amount from the Insurance Company. In the case of Medical insurance, claims are

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recognized on due basis, based on the claims submitted with the insurance company.

iii) Interest income

Interest income is recognized using the effective interest rate (EIR). Interest income is included in "Other Income" in the Statement of Profit and Loss and is accounted on an accrual basis on time proportion to the certainty of receipt.

iv) Others

Dividend income is recognized when the Company's right to receive payment has been established.

3.16 Employee benefits

Employee benefits consist of salaries and wages, contribution to provident fund, superannuation fund, gratuity fund, towards medical assistance, which are short term in nature and contribution towards compensated absences, which is long term in nature.

Post-employment benefit plans

Defined Contribution plans

Defined contribution to Employees Pension scheme for eligible employees are made to CSL Superannuation Pension Trust for Executives and Supervisors and CSL Workmen Pension Trust and are charged as expense, as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

The Company makes contributions to the Cochin Shipyard Employees Mutual Public Welfare Trust and Employees Medical Assistance Trusts, which are charged as expense, as and when they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

Defined benefit plans

Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The liability or asset recognised in the balance sheet in respect of its defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less

the fair value of plan assets. The defined benefit obligation is calculated periodically by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have terms approximating the terms of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability or asset is recognised in the Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of profit and loss as past service cost.

Provident Fund and Pension Scheme

The Company also makes contribution towards provident fund. The provident fund is administered by the Trustees of the Cochin Shipyard Limited Employees Contributory Provident Fund Trust. The rules of the Company's provident fund administered by the Trust, require that if the Board of Trustees are unable to pay interest at the rate declared by the Government under para 60 of the Employees' Provident Fund Scheme, 1952, then the deficiency shall be made good by the Company. The deficiency, if any assessed by the Company based on actuarial valuation will be provided for in the accounts.

Other employee benefits

Compensated absences

The Company has a policy on compensated absence which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absence is determined by Actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of unused

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entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absence is recognised in the period in which the absences occur.

3.17 Borrowing cost

General and specific borrowing costs directly attributable to acquisition/ construction or production of qualifying assets (net of income earned on temporary deployment of funds) are capitalized as part of cost of such assets upto the date when such assets are ready for the intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended when active development activity on the qualifying assets is interrupted other than on temporary basis and charged to the Statement of Profit and Loss during such extended periods. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.18 Corporate Social Responsibility

The Corporate Social responsibility (CSR) expenditure is charged to the Statement of Profit & Loss in the period in which it is incurred, except to the extent the Company decides to carry forward any amount in excess of the minimum required CSR expenditure for adjustment in future years in terms of Sec 135(5) of the Companies Act 2013 read with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and classified under "Other Current Assets" in the financial statements.

3.19 Prior period adjustment

Prior period adjustments due to errors, having material impact on the financial affairs of the Company, are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

3.20 Taxes on Income

Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to

items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and

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to the Standalone Financial Statements for the year ended March 31, 2023

liabilities and when the deferred tax balances relate to the same taxation authority.

3.21 Earnings Per Share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

3.22 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the Chairman & Managing Director.

The Company has identified business segments (industry practice) as reportable segments. The business segments comprise: 1) Ship Building and 2) Repair of Ships/offshore structures.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

3.23 Statement of cash flows

Statement of Cash Flows are reported prepared and presented 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. The cash flows from operating, investing and financial activities of the Company are segregated based on the available information.

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

3.24 Dividend to equity shareholders

Dividend to equity shareholders is recognised as a liability and deducted from shareholders' equity, in the period in which the dividends are approved by the equity shareholders in the general meeting. In the case of interim dividends, recognition is done in the period in which the same is recommended and approved by Board of the Company.

3.25 Exceptional Items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and disclosed as such in the financial statements.

3.26 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below.

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company will evaluate the same to give effect to them as required by the standard.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors:- This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from change in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company will evaluate the same to give effect to them as required by the standard.

Ind AS 12 - Income Taxes :- This amendment has narrowed the scope of the initial recognition of exemptions so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment in annual periods beginning on or after April 1, 2023. The company will evaluate the same to give effect to them as required by the standard.

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Note 3 : Property, Plant and Equipment

(₹ in lakhs)

Particulars	Gross carrying amount			Depreciation			Net Carrying amount	
	As at 1st April 2022	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st Mar 2023	As at 1st April 2022	For the year (withdrawal)	As at 31st Mar 2023	As at 31st March 2022
a) Owned Assets								
Land (Freehold)	587.54			587.54	-		587.54	587.54
Buildings	17,821.14	448.54		18,269.68	3,561.02	558.19	14,150.47	14,260.12
Plant and equipment	21,010.38	241.12	223.01	21,028.49	10,927.04	1,872.51	8,416.48	10,083.34
Furniture and fixtures	1,452.48	211.87	-	1,664.35	716.45	125.09	822.81	736.03
Vehicles	639.69	2.94	0.09	642.54	367.15	55.41	220.01	272.54
Office equipment	510.27	80.95		591.22	290.78	67.34	233.10	219.49
Others					-			-
Data Processing Equipments	2,383.15	321.93	11.08	2,694.00	1,368.61	324.18	1,007.77	1,014.54
Docks and quays	4,466.45			4,466.45	2,141.37	299.41	2,025.67	2,325.08
Railway sidings	1.10			1.10	-		1.10	1.10
Electrical installation	1,887.01	188.84	3.81	2,072.04	1,102.71	123.43	849.02	784.30
Drainage and water supply	6.67	16.88		23.55	-	0.98	22.57	6.67
Vessels	19.74	2.14		21.88	8.44	1.36	12.08	11.30
Sub Total	50,785.62	1,515.21	237.99	52,062.84	20,483.57	3,427.90	28,348.62	30,302.05
b) Assets on leased premises								
Buildings	2,322.39	186.40		2,508.79	647.88	121.00	1,739.91	1,674.51
Plant and equipment	871.87	65.86		937.73	154.15	55.12	728.46	717.72
Docks and quays	9.62			9.62	8.35		1.27	1.27
Electrical installation	501.32	35.03		536.35	212.46	48.83	275.06	288.86
Sub Total	3,705.20	287.29	-	3,992.49	1,022.84	224.95	2,744.70	2,682.36
Total (a)+(b)	54,490.82	1,802.50	237.99	56,055.33	21,506.41	3,652.85	31,093.32	32,984.41
c) Right Of Use Assets								
Right of Use - Land	39,172.92	565.92		39,738.84	4,064.22	1,354.71	34,319.91	35,108.70
Right of Use - Buildings	173.07			173.07	100.20	18.14	54.73	72.87
Right to use-land and ship repair facility	7,000.00			7,000.00	1,583.67	210.32	5,206.01	5,416.33
Sub Total	46,345.99	565.92	-	46,911.91	5,748.09	1,583.17	39,580.65	40,597.90
Total(a+b+c)	1,00,836.81	2,368.42	237.99	1,02,967.24	27,254.50	5,236.02	70,673.97	73,582.31

Notes to the Standalone Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

Particulars	Gross carrying amount			Depreciation		Net Carrying amount	
	As at 1st April 2021	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st Mar 2022	For the year (withdrawal)	As at 31st Mar 2022	As at 31st March 2021
a) Owned Assets							
Land (Freehold)	587.54			587.54		587.54	587.54
Buildings	16,576.51	1,244.63		17,821.14	579.64	3,561.02	13,595.13
Plant and equipment	20,056.24	955.05	0.91	21,010.38	2,005.72	10,927.04	11,134.31
Furniture and fixtures	1,360.41	92.47	0.40	1,452.48	118.32	716.45	762.22
Vehicles	612.74	26.95		639.69	55.03	367.15	300.62
Office equipment	454.11	56.64	0.48	510.27	62.19	290.78	225.18
Others							
Data Processing Equipments	1,819.28	573.30	9.43	2,383.15	303.11	1,368.61	1,014.54
Docks and quays	4,466.45			4,466.45	299.41	2,141.37	2,624.49
Railway sidings	1.10			1.10			1.10
Electrical installation	1,831.03	56.51	0.53	1,887.01	120.54	1,102.71	848.86
Drainage and water supply	6.67			6.67			6.67
Vessels	19.74			19.74	1.36	8.44	12.66
Sub Total	47,791.82	3,005.55	11.75	50,785.62	3,545.32	20,483.57	30,302.05
b) Assets on leased premises							
Buildings	2,193.35	129.04		2,322.39	105.83	647.88	1,651.30
Plant and equipment	654.65	217.22		871.87	44.78	154.15	545.28
Docks and quays	9.62			9.62		8.35	1.27
Electrical installation	400.26	101.06		501.32	42.82	212.46	230.62
Sub Total	3,257.88	447.32	-	3,705.20	193.43	-	2,428.47
Total (a)+(b)	51,049.70	3,452.87	11.75	54,490.82	3,738.75	21,506.41	33,275.15
c) Right Of Use Assets							
Right of Use - Land	39,172.92			39,172.92	1,354.62	4,064.22	36,463.32
Right of Use - Buildings	173.07			173.07	29.55	100.20	102.42
Right to use - land and ship repair facility	7,000.00			7,000.00	210.34	1,583.67	5,626.67
Sub Total	46,345.99	-	-	46,345.99	1,594.51	5,748.09	42,192.41
Total(a+b+c)	97,395.69	3,452.87	11.75	1,00,836.81	5,333.26	27,254.50	75,467.56

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Freehold Land includes the value of (a) land allotted on lease basis to (i) Bharatiya Vidya Bhavan (0.69045 hectare) (ii) M/s Indian Oil Corporation Ltd (0.620 hectare) for laying pipeline (iii) land leased to M/s Cochin Air Products (0.30 hectare) and (b) land leased to Kerala State Electricity Board (0.47 hectare).

Value of land includes value of buildings acquired along with the land for which depreciation has not been provided as the value is not separately available and most of these buildings are likely to be demolished for putting up facilities for the factory.

Freehold land includes landed properties of the Company admeasuring 197.12 ares (487.00 cents) made up of 34.30 ares in Sy No. 713/11, 23.57 ares in Sy No. 713/12, 59.12 ares in Sy No. 713/13, 50.18 ares in Sy No. 714/06, 10.12 ares in Sy No. 714/2, 8.90 ares in Sy No. 714/4 and 10.93 ares in Sy No. 714/5 of land all are lying contiguously in Elamkulam village, Kanayannur taluk, Ernakulam Dist, Kerala provided as security for issue of Tax free bonds.

The company has bearer plants in its premises and other sites which generates nominal income. Cost of such bearer plants cannot be reliably measured and hence these plants were not capitalized.

Title deeds of all immovable properties are held in the name of the Company. In the case of following properties where the Company is the lessee, lease agreements are duly executed in favour of the lessee with the following exceptions:

- * CSL has taken 8.12 Ha of land and 15 HA of water body on lease from COPT on 12 April 2013. A lease agreement was entered with COPT in this connection however the same has not yet been registered.
- * CSL has also taken 8.134 HA of additional land area on lease from COPT on 16 Nov 2017 - Lease deed is yet to be executed and registered.

The company has executed concessionaire agreements with the Mumbai Port Trust and Kolkata port Trust to Upgrade, Operate and Manage Ship Repair facility at Hughes Dry Dock and specified berths at Indira Dock of MbPT and two dry docks and Berth No.6 of Netaji Subash Dock of KoPT respectively.

The project site at MbPT is taken on license for 29 years. The license agreement is yet to be registered, as a request submitted for waiver of the stamp duty to the Government of Maharashtra is under consideration.

The project site at Syama Prasad Mukherjee Port is taken on license for 30 years. As license agreement does not attract stamp duty and registration charges in West Bengal, Concession Agreement with KoPT has not been registered.

The Right to use of land and ship repair facility represents the upfront fee paid to Cochin Port Trust towards setting up of International Ship Repair Facility (ISRF) project, to be amortised over the period of lease which was further extended based on the date of obtaining of Environmental Clearance. As all environmental clearances for ISRF are obtained as on January 09, 2018, the lease period of 30 years effectively starts from this date.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Note 4 : Capital work -in -progress

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Plant and machinery, Buildings and Civil works	1,34,104.46	1,09,977.44
Add: Expenditure during construction	9,570.95	1,006.79
Capital yard items	15,064.22	11,431.96
Goods in Transit	7.30	-
Total	1,58,746.93	1,22,416.19

Expenditure during construction

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Opening Balance	1,006.79	757.66
Add: Expenses during the year		
Salaries	275.95	249.13
Depreciation under Ind AS116	513.64	-
Finance cost under Ind AS116	1,593.22	-
Exceptional items	6,181.35	-
Closing Balance	9,570.95	1,006.79

CWIP Ageing schedule as on 31.03.2023

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Projects in progress	40,630.77	17,249.71	42,915.65	
Projects temporarily suspended	-	-	-	-	-

CWIP Ageing schedule as on 31.03.2022

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Projects in progress	21,548.62	42,916.75	32,650.70	
Projects temporarily suspended	-	-	-	-	-

Overdue CWIP as on 31.03.2023

Capital Work in Progress	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
International Ship Repair Facility		70447.15	-	-	-
Dry Dock	84852.92		0.00	0.00	0.00
CKSRU Caisson Gate	971.21		0.00	0.00	0.00
Integrated security system	354.17		0.00	0.00	0.00
CMSRU Caisson gate	1359.38		0.00	0.00	0.00

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Overdue CWIP as on 31.03.2022

(₹ in lakhs)

Capital Work in Progress	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
International Ship Repair Facility	-	56136.01	-	-
Dry Dock	65082.67	-	-	-
CKSRU Caisson Gate	167.67	-	-	-
Integrated security system	32.17	-	-	-
CMSRU Caisson gate	565.90	-	-	-

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 5 : Intangible assets

Particulars	Gross carrying amount			Amortisation			Net Carrying amount		
	As at 1st April 2022	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st Mar 2023	As at 1st April 2022	For the year	Adjustment/ (withdrawal)	As at 31st Mar 2023	As at 31st March 2022
Internally generated weld procedure	27.67	-	-	27.67	27.67	-	-	27.67	-
Computer software	1,991.11	897.47	-	2,888.58	1,550.96	392.24	1,943.20	945.38	440.15
	2,018.78	897.47	-	2,916.25	1,578.63	392.24	1,970.87	945.38	440.15

Particulars	Gross carrying amount			Amortisation			Net Carrying amount		
	As at 1st April 2021	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st Mar 2022	As at 1st April 2021	For the year	Adjustment/ (withdrawal)	As at 31st Mar 2022	As at 31st March 2021
Internally generated weld procedure	27.67	-	-	27.67	27.67	-	-	-	-
Computer software	1,565.16	425.95	-	1,991.11	1,443.22	107.74	440.15	440.15	121.94
	1,592.83	425.95	-	2,018.78	1,470.89	107.74	440.15	440.15	121.94
Previous year	7832.14	1392.29	0.79	9223.64	548.36	610.08	8065.99	8065.99	7283.78

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Note 6: Intangible assets under development

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Plant and machinery, Buildings and Civil works	1,602.37	2,303.95
Total	1,602.37	2,303.95

Intangible assets under development Ageing schedule as on 31.03.2023

(₹ in lakhs)

Capital Work in Progress	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	39.07	28.46	136.15	1,398.69
Projects temporarily suspended	-	-	-	-

Intangible assets under development Ageing schedule as on 31.03.2022

(₹ in lakhs)

Capital Work in Progress	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	769.12	136.15	1,398.68	0.00
Projects temporarily suspended	-	-	-	-

Overdue Intangible assets under development as on 31.03.2023

(₹ in lakhs)

Capital Work in Progress	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
3D Experience Ship building software	1541.73	-	-	-
REPOSITORY - CANSRU	60.64	-	-	-

Overdue Intangible assets under development as on 31.03.2022

(₹ in lakhs)

Capital Work in Progress	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
3D Experience Ship building software	1625.24	-	-	-
IT Security and Monitoring system	650.25	-	-	-

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Note 7: Investments-Non Current

Particulars	Face value per unit	Number of units as on Mar 31, 2023	Number of units as on Mar 31, 2022	(₹ in lakhs)	
				As at Mar 31, 2023	As at Mar 31, 2022
Unquoted (Fully Paid up)					
Investment in equity instruments					
a) At Cost					
Equity shares in subsidiary companies					
Hooghly Cochin Shipyard Ltd - 9,60,00,000 Equity shares of face value of ₹ 10 each	10	9,60,00,000	5,00,00,000	9,535.34	4,935.34
Udupi Cochin Shipyard Limited (Formerly Tebma Shipyards Ltd) - 9,00,00,000 Equity shares of face value of ₹ 10 each	10	9,00,00,000	6,50,00,000	9,000.00	6,500.00
b) At Fair Value Through Other Comprehensive Income					
Cochin Shipyard Employees Consumer Co-operative Society Limited 2175 'B Class' shares of ₹100 each	100	2,175	2,175	2.18	2.18
Kerala Enviro Infrastructure Limited - 70000 equity shares of face value of ₹10 each	10	70,000	70,000	9.14	7.00
Cochin Waste 2 Energy Private Limited -100000 equity shares of ₹10 each	10	1,00,000	1,00,000	-	-
Investment in Debt Instruments					
a) At Amortised Cost					
Investment in Cumulative Redeemable Preference Shares of M/s Hooghly Cochin Shipyard Limited (HCSL) a subsidiary of Cochin Shipyard Ltd, 5,60,00,000, 6% Cumulative Redeemable Preference Shares of ₹10 each. (Redemption at any time at the option of the Company but not later than 10 years from the date of allotment.)	10	5,60,00,000	5,60,00,000	6,232.14	5,931.66
Investment in Non Convertible Debentures (NCD) of M/s Hooghly Cochin Shipyard Limited (HCSL) a subsidiary of Cochin Shipyard Ltd, 440000, 6.5% Unsecured Redeemable Non-convertible Debentures of ₹1000 each. (Redeemable at par at the end of 60 months)	1000	4,40,000	4,40,000	4,553.58	4,553.58
Investment in Non Convertible Debentures (NCD) of M/s Hooghly Cochin Shipyard Limited (HCSL) a subsidiary of Cochin Shipyard Ltd, 310000, 6.15% Unsecured Redeemable Non-convertible Debentures of ₹1000 each (The duration of the debentures is 120 months with an option to redeem after 5 years from the date of allotment)	1000	3,10,000	3,10,000	3,209.69	3,209.69

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

Particulars	Face value per unit	Number of units as on Mar 31, 2023	Number of units as on Mar 31, 2022	As at Mar 31, 2023	As at Mar 31, 2022
Investment in Non Convertible Debentures (NCD) of M/s Udupi Cochin Shipyard Ltd. (Formerly Tebma Shipyards Limited) a subsidiary of Cochin Shipyard Ltd, 100000, 6% Unsecured Redeemable Non-convertible Debentures of ₹1000 each. (Redeemable at par at the end of 84 months)	1000	1,00,000	1,00,000	1,018.64	1,018.64
Total				33,560.71	26,158.09
Aggregate value of quoted investments and market value thereof				-	-
Aggregate value of unquoted investment				33,560.71	26,158.09
Aggregate amount of impairment in value of investments				-	-

Considering the indicators of the value of an investment such as investee's assets, results etc. a decline, other than temporary, in the value of investment in Cochin Waste to Energy (P) Ltd is noticed and accordingly fair value is considered as Nil. Similarly, increase in value of investment in Kerala Enviro Infrastructure Limited is noticed and accordingly investment is fair valued.

The Company's Investment in Cochin Shipyard Employees Consumer Co-operative Society Limited are non-participative shares and normally does not carry any voting rights. Hence, the company has carried this investment at its transaction value considering to be its fair value.

At the beginning of the current year, the Company had invested in the equity share capital of Hooghly Cochin Shipyard Limited (HCSL), a sum of ₹4935.34 lakhs, comprising of 5,00,00,000 shares of ₹10 each, during the period from 2017 to 2021. Out of the above 2,80,00,000 shares of ₹10 each were acquired through rights share.

During the year the Company has made further investment of ₹4600.00 lakhs comprising 4,60,00,000 of ₹10 each again on a rights basis, and the total investment in HCSL at the end of the year is ₹9535.34 lakhs.

The Company had acquired Temba Shipyard Limited, now renamed as Udupi Cochin Shipyard Limited, by an Order of NCLT by investing ₹6500.00 lakhs comprising of 6,50,00,000 shares of ₹10 each. During the year the company has made further investment of ₹25,00,00,000 comprising 2,50,00,000 of ₹10 each again on a rights basis, and the total investment in UCSL at the end of the year is ₹9000 lakhs.

The equity shares issued on rights basis shall rank pari passu with the existing equity shares of the Company in all respects, The above investment are accounted at cost in accordance with IND AS 27-Separate Financial Statement.

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 8: Loans - Non Current

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Unsecured, considered good:		
(a) Loans to related parties		
Udupi Cochin Shipyard Ltd	513.22	513.22
(b) Other Loans		
Loan to employees		
Related parties	0.00	0.00
Others	520.60	347.84
Total	1033.82	861.06

No significant increase in credit risk or credit impairment

The Company infused ₹500 lakhs as unsecured loan to Udupi Cochin Shipyards Ltd, the Subsidiary company for meeting expenses during its operational phase, carrying an interest rate of 5.5% p.a. The principal amount is to be repaid at the end of 5 years from the date of disbursement i.e; on 17th September 2025. Interest repayments to be made on yearly basis from the date of disbursal.

Note 9: Other Financial Assets - Non Current

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Security deposits	84.23	77.42
Accrued Lease Rental Asset	6.44	21.70
Total	90.67	99.12

Note 10: Income tax assets / liability (net)

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Non current tax assets		
Income Tax Assets net of provisions	2,906.66	3,386.91
Current tax assets / (liabilities)		
Advance income tax net of provisions	7,147.48	(2,566.09)

Income tax recognised in the Statement of profit and loss

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Current tax:		
Current income tax charge	11,597.42	20,431.12
Adjustment in respect of prior years	(1,289.62)	(743.88)
Total (A)	10,307.80	19,687.24
Deferred tax:		
In respect of current year	1,094.00	1,095.00
Total (B)	1,094.00	1,095.00
Income tax expense recognised in the Statement of Profit and Loss (A+B)	11,401.80	20,782.24

Notes

 to the Standalone Financial Statements for the year ended March 31, 2023

The income tax expense for the year can be reconciled to the accounting profit as follows:-

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Profit before tax	44,850.66	79,439.06
Income tax expense calculated at respective applicable rates	11,288.02	19,993.22
Effect of expenses that are not deductible in determining taxable profit	3,528.04	5,542.57
Effect of expenses that are allowable in determining taxable profit	(4,879.90)	(5,388.12)
Effect of expenses incurred on Corporate Social Responsibility not deductible in determining taxable profit	416.52	407.59
Effect of income that is exempt from taxation		
Others	1,244.74	(124.14)
	11,597.42	20,431.12
Adjustments recognised in the current year in relation to the current tax of prior years	(1,289.62)	(743.88)
Adjustments for changes in estimates of deferred tax assets	1,094.00	1,095.00
Income tax expense recognised in the Statement of Profit and Loss	11,401.80	20,782.24

Note 11: Deferred tax assets (net)

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Deferred tax liabilities	(2,439.62)	(2,540.98)
Deferred tax assets	8,131.56	9,326.92
Total	5,691.94	6,785.94

Deferred tax liabilities/(assets) in relation to 2022-23

(₹ in lakhs)

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in Statement of Equity	Closing Balance
Provisions	(7,336.19)	1,964.19		(5,372.00)
Property, plant and equipment	2,556.66	(152.01)		2,404.65
Intangible assets	(18.27)	50.94		32.67
Others	(1,988.14)	(769.12)		(2,757.26)
Total	(6,785.94)	1,094.00	-	(5,691.94)

Deferred tax liabilities/(assets) in relation to 2021-22

(₹ in lakhs)

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in Statement of Equity	Closing Balance
Provisions	(9,003.68)	1,667.49	-	(7,336.19)
Property, plant and equipment	2,697.54	(140.88)	0.00	2,556.66
Intangible assets	(17.86)	(0.41)	0.00	(18.27)
Others	(1,556.94)	(431.20)	0.00	(1,988.14)
Total	(7,880.94)	1,095.00	-	(6,785.94)

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 12: Other non-current assets

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Unsecured, considered good		
Capital advances	16,455.40	17,775.05
Advances other than capital advances:		
Security deposits	239.87	239.66
Deposits with Customs department	261.22	261.22
Loose tools	643.92	627.07
Total	17,600.41	18,903.00

Deposit with Customs Department of ₹261.22 lakhs pertains to a refund appeal lying before Commissioner (Appeals) to cover a liability in respect of customs duty which is also shown as Payable to Chennai Port Trust under Note No. 24- Other Financial Liabilities- Non Current.

Note 13 : Inventories

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Raw Materials and components	32,090.99	27,658.20
Goods-in transit	1,557.05	533.53
	33,648.04	28,191.73
Stores & Spares	1,286.39	619.37
Goods-in transit	110.59	32.72
	1,396.98	652.09
Total	35,045.02	28,843.82

During current year ,Stores and spares are valued at weighted average cost method and Goods in transit at cost as against 'weighted average cost method or net realisable value whichever is lower' for stores and 'lower of cost and net realisable value' for Goods in transit which was followed in previous years .

Maintenance spares included in the inventory represent spares of general nature and are not related to a particular asset.

Note 14 : Trade Receivables-Current

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Unsecured		
Considered good:		
Trade Receivables considered good - Unsecured	33,020.51	43,667.15
Trade Receivables which have significant increase in Credit Risk	11,030.93	10,439.67
Less: Allowance for Expected credit loss	(11,030.93)	(10,439.67)
Trade Receivables - Credit impaired	-	-
Total	33,020.51	43,667.15

Trade receivables are non-interest bearing and receivable in normal operating cycle.

Trade receivables include receivable accrued but not due (unbilled trade receivables) ₹2102.59 lakhs (previous year ₹4661.29 lakhs)

Notes

 to the Standalone Financial Statements for the year ended March 31, 2023

Trade Receivables ageing schedule as on 31.03.2023

(₹ in lakhs)

Particulars	Accrued but not due (Unbilled trade receivables)	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2,102.59	13006.35	12567.10	3657.98	1686.49	0.00	33020.51
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	189.72	292.00	1360.33	1842.05
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables – considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	98.04	121.95	8968.89	9188.88
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	2,102.59	13,006.35	12,567.10	3,945.74	2,100.44	10,329.23	44,051.44
Less: Expected Credit Loss provision as on 31.03.2023							11,030.93
Trade receivable as on 31.03.2023							33,020.51

Trade Receivables ageing schedule as on 31.03.2022

(₹ in lakhs)

Particulars	Accrued but not due (Unbilled trade receivables)	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,661.29	28300.72	6015.39	4294.08	401.54	0.00	43673.02
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	226.00	70.28	1117.21	1413.49
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables – considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	63.65	15.55	8941.10	9020.30
(vi) Disputed Trade Receivables – credit impaired							0.00
	4,661.29	28,300.72	6,015.39	4,583.73	487.37	10,058.31	54,106.81
Less: Expected Credit Loss provision as on 31.03.2022							10,439.67
Trade receivable as on 31.03.2022							43,667.15

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Movement in the expected credit loss allowance

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Opening balance	10,439.67	10,215.58
Add: Additions during the year	613.97	2,984.36
Less: Reversals/withdrawals during the year	22.71	2,760.27
Closing Balance	11,030.93	10,439.67

Note 15 : Cash and Cash equivalents

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Balance with Banks		
In current account	1,72,500.78	10,525.92
Term deposits with original maturity of less than three months	28,382.00	35,050.00
Total	200,882.78	45,575.92

Balance in current account includes ₹169785 lakhs received from Indian Navy for the construction of Next Generation Missile Vessels

Note 16 : Bank balances other than cash and cash equivalents

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Lien Marked Term deposits with original maturity of less than three months*	47,534.90	15,100.00
Lien Marked Term deposits with original maturity of more than three months*	36,274.85	59,797.71
Term Deposits with banks with original maturity more than 3 months and less than 12 months**	56,095.14	33,432.00
In current account on behalf of Indian Navy	72,602.94	91,155.67
Term Deposits with banks with original maturity more than 3 months and less than 12 months earmarked for objects of IPO	53,691.71	71,161.67
Earmarked balances (Unpaid Dividend account)	98.20	59.71
Total	2,66,297.74	2,70,706.76

*Lien Marked Term deposits represents deposits in which lien is marked in favour of Union Bank of India, State Bank of India & IDBI for maintaining cash margin towards the Non-Fund based credit facilities granted to the Company.

**Deposits with banks with original maturity of more than 3 months, include ₹101.92 lakhs (previous year ₹97.45 lakhs) lien marked in favour of The Registrar of High Court of Kerala.

Funds parked by Indian Navy for the construction of Indigenous Aircraft Carrier are held in a separate account.

Notes

 to the Standalone Financial Statements for the year ended March 31, 2023

Note 17 : Loans - Current

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Unsecured, considered good		
Employee advances		
Related parties	-	-
Others	99.50	68.56
Total	99.50	68.56

No significant increase in credit risk or credit impairment

Note 18 : Other Financial Assets - Current

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Interest accrued on Bank Deposits	3,312.27	1,424.87
Interest accrued on employee advances		
Related parties		
Others	68.73	39.23
Foreign Exchange Derivatives Assets	15.47	1.30
Total	3,396.47	1,465.40

Note 19 : Other Current Assets

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Unsecured advances		
Advances other than capital advances		
Advances to related party	0.39	0.36
Other advances	62,625.16	39,806.87
Advances considered doubtful	1,030.17	1,030.17
	63,655.72	40,837.40
Less: Provision for doubtful advances	1,030.17	1,030.17
	62,625.55	39,807.23
Others		
Contract Assets for IAC works	30,065.10	-
Contract Assets for other works	21,664.02	34,961.10
Obsolete stock	352.37	238.71
Less: Provision for obsolescence	(352.37)	(238.71)
Balance with Revenue authorities	709.69	571.51
Miscellaneous deposits	62.01	76.23
Prepaid expenditure	998.27	618.86
Input Tax Credit on GST	32,453.79	1,08,217.30
Medical Insurance Premium	1,876.91	1,778.70
Miscellaneous current assets	1,706.81	552.02
Total	1,52,162.14	1,86,582.95

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Note 20 : Equity Share Capital

Particulars	As at Mar 31, 2023		As at Mar 31, 2022	
	Number	₹ in lakhs	Number	₹ in lakhs
Authorised				
Equity shares of ₹10/- each	250000000	25,000.00	250000000	25,000.00
Issued, Subscribed and Fully paid up				
Equity shares of ₹10 each fully paid up	131540390	13,154.04	131540390	13,154.04
Total	131540390	13,154.04	131540390	13,154.04

20.1 Reconciliation of number of shares and amounts outstanding

Particulars	As at Mar 31, 2023		As at Mar 31, 2022	
	Number	₹ in lakhs	Number	₹ in lakhs
Equity Shares outstanding at the beginning of the year	131540390	13,154.04	131540390	13,154.04
Add : Shares issued during the year	0	0.00	0	0.00
Less : Shares bought back during the year	0	0.00	0	0.00
Equity Shares outstanding at the end of the year	131540390	13,154.04	131540390	13,154.04

Terms & Rights attached to Equity shares: The Company has only one class of equity shares having a face value of ₹10 per share which is fully paid up. Equity shareholders are eligible for one vote per share held, and are entitled to dividends as and when declared by the Company. Interim dividend is paid as and when declared by the Board. Final dividend proposed by the Board of Directors is subject to approval/regularisation by the share holders in the Annual General meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

20.2 Details of shareholders holding more than 5% shares in the company

Particulars	As at Mar 31, 2023		As at Mar 31, 2022	
	Number of Shares held	% of holding	Number of Shares held	% of holding
The President of India	95843464	72.86	95843464	72.86

20.3 Shares held by promoters at the end of the year

Promoter name	Number of Shares held	% of holding	% Change during the year
The President of India	95843464	72.86	Nil

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Note 21 : Other Equity

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Capital Reserves	263.56	263.56
Capital Redemption Reserve	12,353.76	12,353.76
Securities Premium	93,151.96	93,152.08
Debenture Redemption Reserve	1,668.44	1,668.44
General Reserve	6,322.75	6,322.75
Cash flow Hedge Reserve	(3,578.40)	0.97
Retained Earnings	3,19,005.76	3,09,002.37
Total	4,29,187.83	4,22,763.93

Movement of each item in Other Equity is detailed in Statement of Changes in Equity.

Capital Reserve: Capital reserve includes ₹263.56 lakhs being restoration charges received from Ms Indian Oil Corporation Ltd for laying pipe line through the Company's land.

Capital Redemption Reserve: Capital Redemption Reserve of ₹12353.76 includes ₹11914.20 lakhs being reserves created on redemption of preference shares and ₹439.56 lakhs being a sum equal to the nominal value of the shares bought back, which will be utilised for the purpose defined under the Companies Act 2013.

Securities Premium: Premium on tax free bonds is amortised on straight line basis over the period of bonds. The company had completed the Initial Public Offer (IPO) during 2017-18 and had allotted 22656000 equity shares of ₹10 each at premium (₹93929.76 lakhs). Expenses incurred net of deferred tax adjustment towards such allotment of shares amounting ₹777.93 lakhs has been debited in Securities Premium in accordance with the requirements of Indian Accounting Standard (Ind AS) 32- Financial Instruments.

Debenture Redemption Reserve: The Company was hitherto creating Debenture Redemption Reserve at 25% of the value of bonds issued by the company over the maturity period of such debentures in accordance with Section 71(4) of the Companies Act, 2013 read with Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014 and as per SEBI (Issue and Listing of Debt Securities) Regulations, 2008. As per the amendment made to the Companies (Share Capital and Debentures) Rules, 2014 notified vide Notification No. G.S.R. 574(E) by the Ministry of Corporate Affairs, the company is not required to create Debenture Redemption Reserves in respect of the bonds issued by it. However, the Debenture Redemption Reserve already created up to 30.09.2019, ₹1668.44 lakhs, shall be retained in the books till the time of redemption of the bonds.

General Reserve: General reserve is primarily created to comply with the requirements of section 123(1) of the Companies Act, 2013. This is a free reserve and can be utilised for any general purpose like issue of bonus shares, payment of dividend, buy back of shares etc. The Company created a General reserve in earlier years pursuant to the provisions of the Companies Act, 1956 where in certain percentage of profits were required to be transferred to General reserve before declaring dividends. As per the Companies Act 2013, the requirements to transfer profits to General reserve is not mandatory.

Cash flow Hedge Reserve: Cash flow hedge reserve represents the effective portion of change in the fair value of designated hedging instruments recognised in the Other Comprehensive Income. (Refer Note No. 46)

Interim dividend : During the year, the Company paid interim dividends of ₹7 per equity share of face value of ₹10 and ₹7 per equity share of face value of ₹10, as recommended at the board meetings held on Nov 10, 2022 and Feb 10, 2023 respectively.

Proposed dividend : The Board of Directors of the Company have recommended a final dividend of ₹3.00 per equity share of face value of ₹10 for the financial year ended March 31, 2023 at the Board meeting held on May 19, 2023. This is subject to approval/regularisation by the share holders in the Annual General meeting.

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 22 : Borrowings

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Bonds - (Secured)		
At amortised cost		
Tax Free Redeemable Non Convertible Bonds -Series 2013-14	2,302.20	12,581.98
Total	2,302.20	12,581.98

Tax Free Infrastructure Bond Series 2013-14

a) Tranche 1: 1000 bonds of face value of ₹10 lakhs totalling ₹10000 lakhs with interest rate of 8.51% payable annually, redeemable at par, due for redemption on 02nd December 2023.

b) Tranche 2: 230 bonds of face value of ₹10 lakhs totalling ₹2300 lakhs with interest rate of 8.72% payable annually, redeemable at par, due for redemption on 28th March 2029.

These bonds are secured against the landed properties of the Company admeasuring 197.12 ares (487.00 cents) made up of 34.30 ares in Sy No. 713/11, 23.57 ares in Sy No. 713/12, 59.12 ares in Sy No. 713/13, 50.18 ares in Sy No. 714/06, 10.12 ares in Sy No. 714/2, 8.90 ares in Sy No. 714/4 and 10.93 ares in Sy No. 714/5 of land all are lying contiguously in Elamkulam village, Kanayannur taluk, Ernakulam Dist, Kerala.

Utilisation: Out of the issue proceeds of ₹12300 lakhs received, the Company has fully utilised/adjusted funds towards various expenditure incurred on International Ship Repair Facility (ISRF) project.

Difference between carrying amounts and fair values of financial liabilities of borrowings is not significant in each of the year presented.

Note 23: Lease Liabilities-Non current

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Lease Liabilities under Ind AS 116	39,227.30	38,680.71
Total	39,227.30	38,680.71

Note 24: Other Financial liabilities - Non Current

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Payable to Chennai Port Trust	261.22	261.22
Total	261.22	261.22

Liability of ₹261.22 lakhs to Chennai Port Trust in respect of customs duty is covered by a refund appeal lying before Commissioner (Appeals) which is also shown as deposits with Customs department under Note No. 12

Note 25: Provisions - Non Current

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Provision for employee benefits - Compensated absences (Refer Note No 37)	3,923.34	3,551.00
Total	3,923.34	3,551.00

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Note 26: Other non current liabilities

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Deferred Income arising from Government Assistance	248.98	9.16
Total	248.98	9.16

Note 27: Borrowings

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Tax Free Redeemable Non Convertible Bonds -Series 2013-14	10,279.78	
Total	10,279.78	0.00

Referring to Note 22: Tranche 1: 1000 bonds of face value of ₹10 lakhs totalling ₹10000 lakhs with interest rate of 8.51% payable annually, redeemable at par, due for redemption on 02nd December 2023.

Note 28: Lease liabilities

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Lease Liabilities under Ind AS 116	4,898.68	3,374.84
Total	4,898.68	3,374.84

Note 29 : Trade Payables

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Trade payables (Unsecured)		
Outstanding dues of Micro enterprises and Small enterprises	4,991.65	701.25
Outstanding dues of creditors other than Micro enterprises and Small enterprises	15,815.39	15,761.55
Total	20,807.04	16,462.80

To the extent, the Company has received intimation from the vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details of trade payables are provided as under:

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Amount remaining unpaid to supplier at the end of each accounting year;		
Principal	4,991.65	701.25
Interest on above Principal	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small, and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to supplier beyond the appointed day during each accounting year;		

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Note 29 : Trade Payables (Contd..)

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small, and Medium Enterprises Development Act,2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small, and Medium Enterprises Development Act,2006;	-	-

Trade Payables ageing schedule as on 31.03.2023

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME					
Not due	4991.65				4991.65
Due					0.00
(ii) Others					
Not due	11610.03	0.00	0.00	0.00	11610.03
Due	4184.22	7.34	0.00	13.80	4205.36
(iii) Disputed dues – MSME					0.00
(iv) Disputed dues – Others					0.00
Total	20,785.90	7.34	-	13.80	20,807.04

Trade Payables ageing schedule as on 31.03.2022

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME					
Not due	701.25				701.25
Due					
(ii) Others					
Not due	12878.23				12878.23
Due	2778.84	26.50	50.44	27.54	2883.32
(iii) Disputed dues – MSME					
(iv) Disputed dues – Others					
Total	16,358.32	26.50	50.44	27.54	16,462.80

Notes

 to the Standalone Financial Statements for the year ended March 31, 2023

Note 30 : Other Financial Liabilities - Current

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Unpaid Dividend	93.22	59.71
Foreign Exchange Derivatives Liabilities	4,797.38	-
Others		
Security and other deposits	1,638.63	6,943.36
Others Payables	7,883.65	8,661.40
Total	14,412.88	15,664.47

Note 31 : Other Current Liabilities

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Contract Liability for Indigenous Aircraft Carrier works (Net)	0.00	48,950.10
IAC Trade payables	17,573.11	20,748.20
Contract Liability for other works	3,85,917.58	1,77,104.53
Advances for ship building , ship repair and other contracts	7,635.53	4,402.27
Income received in advance	29.08	27.76
Statutory dues	1,665.56	4,791.18
Deferred Income arising from Government Assistance	1.14	1.14
Total	4,12,822.00	2,56,025.18

IAC Trade Payables include ₹1,774.84 lakhs payable to MSME vendors which are not due as on 31 March 2023.

The company has incurred ₹37,377.15 lakhs till 31 March 2023 (₹34,808.21 lakhs till 31st March 2022) towards augmentation of infrastructure facility out of funds received from Indian Navy. The ownership of the assets created out of the said funds vests with Indian Navy.

Stock of raw materials and bought out components procured under "Cost Plus" part of the IAC contract amounting to ₹6966.24 lakhs (previous year ₹8977.28 lakhs) held on behalf of Indian Navy lying with the Company is adjusted against Advances from Indian Navy for Indigenous Aircraft Carrier.

During the Financial Year 2022-23, the Company has handed over the Indigenous Aircraft Carrier (IAC P-71) to Indian Navy in accordance with the contract for the construction of IAC P-71. The Company has raised Invoice for ₹1915000 lakhs on achievement of the delivery milestone of the contract. The balance scope of work will be completed subsequently within 2 years as per the construction contract.

CSL has recognised revenue to the extent of ₹1740844.14 lakhs as on 31.03.2023 against the IAC project P-71 and the balance revenue would be recognised as and when the performance obligations are achieved in accordance with the construction contract of IAC P-71. The details of revenue recognised so far on the project are as follows:

Particulars	₹ in lakhs
Revenue Recognised as on 31.03.2022	1598425.48
Revenue recognised during the year 2022-23	142418.66
Total revenue recognised on IAC P-71 as on 31.03.2023	1740844.14

Refer Note No 44 on Ind AS 115 "Revenue from Contract with Customers".

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 32 : Provisions - Current

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Provision for Employee benefits		
Gratuity	716.13	546.79
Compensated absences (Refer Note No 37)	275.36	419.62
Others	-	
	991.49	966.41
Other Provisions		
For Taxes and duties	2,668.99	2,665.50
For Shipbuilding loss	5,465.00	7,573.00
For Expenditure / contingencies	30,253.73	35,546.95
	38,387.72	45,785.45
Total	39,379.21	46,751.86

32.1 Details of movement of provisions

(₹ in lakhs)

Particulars	As at 01.04.2022	Provision made during the period	Amounts used during the period	Unused amounts reversed during the period	As at 31.03.2023
Provision for employee benefits- Gratuity	546.79	449.13	279.79		716.13
Compensated absences	419.62	-	-	144.26	275.36
Provision for taxes and duties	2,665.50	3.49			2,668.99
Provision for shipbuilding loss	7,573.00			2,108.00	5,465.00
Provision for expenditure / contingencies	35,546.95	39,410.36	42,522.85	2,180.73	30,253.73

(₹ in lakhs)

Particulars	As at 01.04.2021	Provision made during the period	Amounts used during the period	Unused amounts reversed during the period	As at 31.03.2022
Provision for employee benefits- Gratuity	272.09	396.09		121.39	546.79
Compensated absences	515.45	435.07	-	530.90	419.62
Provision for taxes and duties	2,662.17	3.33			2,665.50
Provision for shipbuilding loss	11,658.00			4,085.00	7,573.00
Provision for expenditure / contingencies	34,376.98	36,459.80	31,553.48	3,736.35	35,546.95

Notes

 to the Standalone Financial Statements for the year ended March 31, 2023

Note 33 : Revenue from operations

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Sale of products		
Ship building:		
Indigenous Aircraft Carrier (IAC)	142418.66	179266.04
Vessels other than IAC	31830.44	67606.85
	1,74,249.10	2,46,872.89
Sale of services		
Ship repairs	54,331.00	65,752.72
	54,331.00	65,752.72
Other operating revenue		
Sale of stock items	185.23	14.67
Ship Building Financial Assistance	1193.43	3486.17
Sale of scrap	1,549.62	1,373.80
Management fee	1,537.50	1,500.00
	4,465.78	6,374.64
Total	2,33,045.88	3,19,000.25

- 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. Output method faithfully depicts the Company's performance towards complete satisfaction of the performance obligation and gives clear picture of Company's efforts and hence the same is being adopted to depict the performance completed to date.
- Refer Note No 44 on Ind AS 115 "Revenue from Contract with Customers".
- Out of the Revenue from Operations, ₹6905.65 lakhs (₹9503.19 lakhs in previous year) pertain to revenue from export orders.
- The Company has considered the lock down period due to COVID 19 & GoI circular dated May 13, 2020, which ever is applicable to the projects and Kerala Flood natural calamity 2018 as Force Majeure period for computation of Liquidated Damages while calculating Revenue from operations.
- With regard to the Shipbuilding contract with Andaman & Nicobar ('A&N') Administration for construction of 2 Nos 1200 Passenger Vessels, the contractual delivery dates (as extended) for SH.0023 is already expired and other vessel SH.0024 is nearing expiry. The Company has provided for LD for the delay upto 29 Apr 2023 and 30 Oct 2023 in respect of SH.0023 & SH.0024 respectively. At the request of the A&N administration for reallocation of the vessel for other prospective buyers, the delivery of ships has been abated, with minor progress. Since the Company has a valid contract with A&N Administration, the company has not recognized further liquidated damages in the financials beyond the dates mentioned above.
- Ship Building Financial Assistance ('SBFA') provided by Govt. of India is to compensate the cost incurred by the company in building the vessels and it is not for the losses already incurred. Prior to 2016, SBFA was named as "Shipbuilding Subsidy", with an intention to subsidize the cost/compensating the cost of construction of vessel. Subsequently the term has been reworded as "Ship Building Financial Assistance", without any change in the intention of the Government, modality, principles and procedure of the policy. During FY 2022-23, SBFA is recognised over a period of time in proportion to the expenses/cost incurred as against 'recognition based on physical performance' which was followed in previous years. The impact of the same ₹85.21 lakhs is charged to P&L account.
- Cochin Shipyard Ltd (CSL) has entered into an Agreement with the Andaman and Nicobar Administration to commence its operations at Marine Dockyard, at Port Blair, a facility that is currently being operated directly by the A&N Administration. Management fee on pro rata basis is accounted based on this agreement. Under the ambit of this Agreement signed on 28 Nov 2019, CSL shall assist the Administration to set up a Ship repair ecosystem at A&N islands. CSL shall also associate in Augmentation and Modernisation of the facility and also focus efforts towards Skill Development in the Islands in consultation with the Administration and Technical Institutions located in the Islands.

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 34 : Other Income

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Training facilities	327.76	342.84
Income from sale of scrap and stores	770.96	582.05
Profit on sale of Property, Plant & Equipment	6.11	-
Income from laboratory services	17.58	24.11
Rental income	298.30	325.23
Hire charges	1.39	1.72
Interest on bank deposits	11,480.45	5,679.22
Interest from others	1,330.19	1,908.02
Dividend income from Preference shares	300.48	285.99
Dividend income from Society	0.54	-
Profit on sale of Mutual Funds	-	-
Net gain on foreign currency transactions	-	173.26
Net gain on derivative contracts	-	178.41
Provision no longer required	5,656.09	8,418.30
Proceeds from Bank Guarantee encashment - Performance guarantee/security deposits forfeited**	-	6,100.00
Miscellaneous income*	459.03	2,622.53
Total	20,648.88	26,641.68

*Miscellaneous income includes ₹1.14 lakhs being deferred government assistance in the form of subsidy relating to installation of Solar Power plant inside the yard. The same has been accounted as per the requirements of Ind AS 20 - Accounting for Government Grants and Disclosure of Government Assistance.

**During the year 2021-22, the company cancelled the contract for the turnkey work in setting up the international ship repair facility at Kochi due to the inability of the contractor to carry out the work as per terms of the contract. Consequently, the company encashed the bank guarantees received by it towards performance guarantee and security deposits, and forfeited the proceeds as per the terms of the contract, and has treated the same as income.

Note 35 : Cost of Materials Consumed

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Raw Materials		
Steel	3,641.41	1,778.80
Pipe	1,132.27	831.32
Paint	1,914.08	1,772.05
Bought out components	1,03,596.98	1,57,134.77
Total	1,10,284.74	1,61,516.94

Note 36 : Sub Contract and Direct Expenses

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Sub contract and off loaded jobs	31,162.37	33,290.31
Hull insurance	332.91	620.67
Design Expenses	6,650.64	2,303.75
Operating expenses	4,932.80	5,036.70
Total	43,078.72	41,251.43

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Note 37 : Employee Benefits Expenses

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Salaries, wages, bonus/exgratia and allowances	27,082.01	26,526.06
Contribution to Provident Fund and Family Pension Fund	2,608.76	1,814.08
Gratuity	316.30	350.43
Staff welfare expenses	2,632.08	2,147.12
	32,639.15	30,837.69
Less: Expenditure during construction	(275.95)	(249.13)
Total	32,363.20	30,588.56

Contribution to Provident Fund and Family Pension Fund includes provident fund inspection and administration charges ₹43.62 lakhs (previous year ₹20.46 lakhs)

Salaries, Wages, bonus/exgratia and allowances includes provision for encashment of half pay compensated absences for workmen amounting to ₹13.26 lakhs (previous year ₹47.67 lakhs)

The employee benefits accruing to the employees on deputation from Cochin Port Trust and Mumbai Port Trust are being accounted based on demands received from Cochin Port Trust & Mumbai Port Trust as per tripartite agreement between the Company, Cochin Port Trust & Mumbai Port Trust and the recognised Trade unions of the Port and not based on actuarial valuation except for gratuity which is actuarially valued.

Post-employment obligations

Provident fund

Provident Fund for eligible employees is managed by the Company through a trust in line with the Provident Fund and Miscellaneous Provision Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employees and employer @12% of basic salary (including Dearness Allowance) together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement whichever is earlier. The benefits vests immediately on rendering of the services by the employee. The contribution is charged to Statement of Profit and Loss of the year when the contributions to the respective funds are due in accordance with relevant statute. Employer's contribution to Provident Fund & Family Pension fund is ₹2028.84 lakhs for the year 2022-23 (₹1353.43 lakhs for the year 2021-22). The minimum interest rate payable by the trust to the beneficiaries every year is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust (including investment risk fall) and the notified interest rate, which is determined on the basis of actuarial valuation.

The Company has obtained report on the determination and disclosure of interest rate Guarantee, valuation of Assets & Liabilities as per Ind AS 19 of Employees Benefits relating to Exempt Provident Fund for the period ended 31st March 2023.

The details of fund obligations as per actuarial valuation are given below:

(₹ in lakhs)

Particulars	2022-23	2021-22
Fair value of plan assets	19430.22	18689.22
Present value of benefit obligation at year end	19995.86	18558.63
Net liability / (Net asset)	565.64	(130.59)
Additional provision	Nil	Nil

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Other Benefit Plan - Compensated absences

The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Discount Rate (p.a)	7.23%	7.37%
Rate of increase in compensation levels	Officers &Supervisors 3% Workers 3%	3.00%
Attrition Rate- Half Pay Leave	0.70%	0.70%
Attrition Rate- Earned Leave	Officers &Supervisors 0.7% Workers 0.7%	0.70%
Average Duration of Defined Benefit Obligation (In years)	9.03	8.56

Amount recognised in the Statement of Profit and Loss in respect of defined benefit plans are as follows:-

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
		(₹ in lakhs)
Service Cost:		
Current Service Cost	227.99	214.03
Net Interest expense	267.00	229.10
Actuarial (Gain)/Loss recognised during the period	428.75	630.20
Expenses recognised in the statement of profit and loss	923.74	1073.33

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
		(₹ in lakhs)
Present Value of Defined Benefit Obligation at end of the year	4198.71	3970.62
Fair Value of Plan Assets at the end of the year	-	-
Net Liabilities /(Assets) recognized in the Balance Sheet	4,198.71	3,970.62

Type of Employee Benefit	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
		(₹ in lakhs)
Current Component of PVO	275.36	419.62
Non-Current Component of PVO	3923.34	3551.00
TOTAL PVO	4198.71	3970.62

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Movements in present value of the defined benefit obligation are as follows:-

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Defined Benefit Obligation at beginning of the year	3970.62	3676.83
Current & Past Service Cost	227.99	214.03
Current Interest Cost	267.00	229.10
Actuarial (Gain)/ Loss	428.75	630.20
Benefits paid	(695.65)	(779.54)
Defined Benefit Obligation at end of the year	4,198.71	3,970.62

Movements in the fair value of the plan assets are as follows:-

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Fair Value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Actuarial (Gain)/ Loss	-	-
Contributions from the employer	695.65	779.54
Benefits paid	(695.65)	(779.54)
Fair Value of the Assets at the end of the year	-	-

Expected Contributions in Following Years [mid-year cash flows]

(₹ in lakhs)

Year	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Year 1	80.98	125.67
Year 2	191.37	273.81
Year 3	183.51	104.67
Year 4	153.66	159.02
Year 5	141.97	139.61
Next 5 Years	585.85	551.92

"NA " denoted " Not Available"

Expected Benefit Payments in Following Years [mid-year cash flows]

(₹ in lakhs)

Year	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Year 1	80.98	125.67
Year 2	191.37	273.81
Year 3	183.51	104.67
Year 4	153.66	159.02
Year 5	141.97	139.61
Next 5 Years	585.85	551.92

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Sensitivity Analysis - Half Pay Leave	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
A. Discount Rate + 50 BP	7.73%	7.87%
Defined Benefit Obligation [PVO]	3,546.50	3,347.70
Current Service Cost	152.61	141.10
B. Discount Rate - 50 BP	6.73%	6.87%
Defined Benefit Obligation [PVO]	3,850.97	3,618.91
Current Service Cost	167.55	154.28
C. Salary Escalation Rate + 50 BP	3.50%	3.50%
Defined Benefit Obligation [PVO]	3,856.87	3,624.36
Current Service Cost	167.84	154.54
D. Salary Escalation Rate - 50 BP	2.50%	2.50%
Defined Benefit Obligation [PVO]	3,539.98	3,341.72
Current Service Cost	152.29	140.81

BP denotes "Basis Points"

Sensitivity Analysis - Earned Leave	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
A. Discount Rate + 50 BP	7.73%	7.87%
Defined Benefit Obligation [PVO]	3,546.50	3,347.70
Current Service Cost	152.61	141.10
B. Discount Rate - 50 BP	6.73%	6.87%
Defined Benefit Obligation [PVO]	3,850.97	3,618.91
Current Service Cost	167.55	154.28
C. Salary Escalation Rate + 50 BP	3.50%	3.50%
Defined Benefit Obligation [PVO]	3,856.87	3,624.36
Current Service Cost	167.84	154.54
D. Salary Escalation Rate - 50 BP	2.50%	2.50%
Defined Benefit Obligation [PVO]	3,539.98	3,341.72
Current Service Cost	152.29	140.81

BP denotes "Basis Points"

Defined Benefit Plan-Gratuity

The principal assumptions used for the purpose of actuarial valuation were as follows (Head office):

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Discount Rate (p.a)	7.23%	7.37%
Rate of increase in compensation levels	Officers & Supervisors 3% Workers 3%	3.00%
Attrition Rate	Officers & Supervisors 0.70% Workers 0.70%	0.70%

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Expected Rate of Return on Plan Asset	7.23%	7.37%

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Average Duration of Defined Benefit Obligations (In years)	10.83	9.71

Amount recognised in the Statement of Profit and Loss/Other comprehensive income in respect of defined benefit plans are as follows:-

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
		(₹ in lakhs)
Service Cost:		
Current Service Cost	265.13	251.58
Past Service Cost		
Net Interest expense	290.20	(6.88)
Components of defined benefit costs recognised in statement of profit and loss	555.33	244.69
Remeasurement of the net defined benefit liability:		
Actuarial (Gain)/Loss on Plan Obligations	202.52	246.93
Difference between Actual Return and Interest income on Plan assets (gain)/loss	(751.54)	(113.10)
Components of defined benefit costs recognised in Other Comprehensive Income	(549.02)	133.83

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
		(₹ in lakhs)
Present Value of Defined Benefit Obligation at end of the year	4,319.66	4,313.35
Less: Fair Value of Plan Assets at the end of the year	3,818.15	4,033.56
Net Liabilities /(Assets) recognized in the Balance Sheet	501.50	279.79

Movements in present value of the defined benefit obligation are as follows:-

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
		(₹ in lakhs)
Defined Benefit Obligation at beginning of the year	4,31.35	4,664.16
Current Service Cost	265.13	251.58
Current Interest Cost	290.20	285.54
Past Service Cost		
Actuarial (Gain)/ Loss	202.52	246.93
Benefits paid	(751.54)	(1,134.86)
Defined Benefit Obligation at end of the year	4,319.66	4,313.35

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Movements in the fair value of the plan assets are as follows:-

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Fair Value of Plan Assets at the beginning of the year	4,033.56	4,762.90
Expected Return on Plan Assets	279.89	292.42
Actuarial Gain/(Loss)	(23.55)	113.10
Contributions from the employer	279.79	-
Benefits paid	(751.54)	(1,134.86)
Fair Value of the Assets at the end of the year	3,818.14	4,033.55

Expected Contributions in Following Years [mid-year cash flows]-

Year	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Year 1	NA	NA
Year 2	NA	NA
Year 3	NA	NA
Year 4	NA	NA
Year 5	NA	NA
Next 5 Years	NA	NA

“NA “ denoted “ Not Available”

Expected Benefit Payments in Following Years [mid-year cash flows]-

Year	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Year 1	160.58	349.40
Year 2	571.47	865.52
Year 3	437.68	291.48
Year 4	400.09	400.43
Year 5	322.41	386.67
Next 5 Years	1,167.06	1,172.15

Sensitivity Analysis	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
A. Discount Rate + 50 BP	7.73%	7.87%
Defined Benefit Obligation [PVO]	4,111.97	4,127.61
Current Service Cost	276.46	247.97
B. Discount Rate - 50 BP	6.73%	6.87%
Defined Benefit Obligation [PVO]	4,544.50	4,514.29
Current Service Cost	316.81	283.98
C. Salary Escalation Rate + 50 BP	3.50%	3.50%
Defined Benefit Obligation [PVO]	4,519.69	4,494.68
Current Service Cost	308.18	279.16

Notes

 to the Standalone Financial Statements for the year ended March 31, 2023

Sensitivity Analysis	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
D. Salary Escalation Rate - 50 BP	2.50%	2.50%
Defined Benefit Obligation [PVO]	4,127.12	4,141.13
Current Service Cost	280.70	250.01

BP denotes "Basis Points"

MAJOR CATEGORIES OF PLAN ASSETS (AS PERCENTAGE OF TOTAL PLAN ASSETS)	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Government of India Securities	31.68%	30.42%
State Government Securities	27.62%	31.51%
High Quality Corporate Bonds	0.00%	0.00%
Equity shares of listed companies	23.62%	24.32%
Property	0.00%	0.00%
Special Deposit Scheme	0.00%	0.00%
Funds managed by Insurer	0.33%	0.31%
Others (to specify)	16.75%	13.44%
Total	100.00%	100.00%

The plan assets are managed by the Gratuity Trust formed by the Company.

The principal assumptions used for the purpose of actuarial valuation of International Ship Repair Facility (ISRF) and CSL Mumbai Ship Repair Unit (CMSRU) were as follows:	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Discount Rate (p.a)-ISRF	7.30%	6.30%
Discount Rate (p.a)-CMSRU	7.30%	5.40%
Rate of increase in compensation levels	3.00%	3.00%
Attrition Rate	2.00%	2.00%
Expected Rate of Return on Plan Asset	0.00%	0.00%

Amount recognised in the Statement of Profit and Loss/Other comprehensive income in respect of defined benefit plans are as follows:-

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Service Cost:		
Current Service Cost	24.28	35.68
Past Service Cost	0	0
Net Interest expense	16.58	15.19
Components of defined benefit costs recognised in statement of profit and loss	40.86	50.87
Remeasurement of the net defined benefit liability:		
Actuarial (Gain)/Loss on Plan Obligations	(93.24)	(55.96)
Difference between Actual Return and Interest income on Plan assets (gain)/loss		-
Components of defined benefit costs recognised in Other Comprehensive Income	(93.24)	(55.96)

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Present Value of Defined Benefit Obligation at end of the year	214.62	267.00
Less: Fair Value of Plan Assets at the end of the year	-	-
Net Liabilities /(Assets) recognized in the Balance Sheet	214.62	267.00

Movements in present value of the defined benefit obligation are as follows:-

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Defined Benefit Obligation at beginning of the year	267.00	272.09
Current Service Cost	24.28	35.68
Current Interest Cost	16.58	15.19
Past Service Cost		
Actuarial (Gain)/ Loss	(93.24)	(55.96)
Benefits paid		-
Defined Benefit Obligation at end of the year	214.62	267.00

ISRF & CMSRU gratuity is self managed by the Company.

Expected Contributions in Following Years [mid-year cash flows]

Particulars	For the year ended Mar 31, 2023	
	ISRF	CMSRU
Year 1	NA	NA
Year 2	NA	NA
Year 3	NA	NA
Year 4	NA	NA
Year 5	NA	NA
Next 5 Years	NA	NA

"NA " denoted " Not Available"

Expected Contributions in Following Years [mid-year cash flows]

Particulars	For the year ended Mar 31, 2022	
	ISRF	CMSRU
Year 1	NA	NA
Year 2	NA	NA
Year 3	NA	NA
Year 4	NA	NA
Year 5	NA	NA
Next 5 Years	NA	NA

"NA " denoted " Not Available"

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Expected Benefit Payments in Following Years [mid-year cash flows]

Particulars	For the year ended Mar 31, 2023	
	ISRF	CMSRU
Year 1	25.46	5.97
Year 2	32.56	3.88
Year 3	22.42	-
Year 4	27.83	2.91
Year 5	18.96	1.56
Next 5 Years	68.53	4.49

Expected Benefit Payments in Following Years [mid-year cash flows]

Particulars	For the year ended Mar 31, 2022	
	ISRF	CMSRU
Year 1	70.02	15.36
Year 2	23.72	1.09
Year 3	25.62	2.69
Year 4	18.79	-
Year 5	26.51	3.20
Next 5 Years	75.25	4.71

Sensitivity Analysis as on 31.03.2023

Particulars	ISRF	CMSRU
A. Discount Rate + 100 BP	8.30%	8.30%
Defined Benefit Obligation [PVO]	187.92	18.27
Variation	(4.02%)	(2.94%)
B. Discount Rate - 100 BP	6.30%	6.30%
Defined Benefit Obligation [PVO]	204.35	19.42
Variation	4.37%	3.17%
C. Salary Escalation Rate + 100 BP	4.00%	4.00%
Defined Benefit Obligation [PVO]	203.65	19.35
Variation	4.01%	2.78%
D. Salary Escalation Rate - 100 BP	2.00%	2.00%
Defined Benefit Obligation [PVO]	188.44	18.33
Variation	(3.75%)	(2.62%)

BP denotes "Basis Points"

Sensitivity Analysis as on 31.03.2022

Particulars	ISRF	CMSRU
A. Discount Rate + 100 BP	7.30%	6.40%
Defined Benefit Obligation [PVO]	23.13	26.43
Variation	(3.60%)	(2.38%)
B. Discount Rate - 100 BP	5.30%	4.40%
Defined Benefit Obligation [PVO]	24.93	27.76
Variation	3.92%	2.56%

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Particulars	ISRF	CMSRU
C. Salary Escalation Rate + 100 BP	4.00%	4.00%
Defined Benefit Obligation [PVO]	24.84	27.63
Variation	3.51%	2.10%
D. Salary Escalation Rate - 100 BP	2.00%	2.00%
Defined Benefit Obligation [PVO]	23.20	26.53
Variation	(3.27%)	(1.98%)

BP denotes "Basis Points"

Note 38 : Finance Costs

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Interest expense on lease liabilities	3,914.55	3,596.60
Interest on tax free bonds	1,051.44	1,051.44
Interest others	0.78	0.00
	4,966.77	4,648.04
Less: Expenditure during construction	(1,593.22)	-
Total	3,373.55	4,648.04

Note 39 : Depreciation and Amortisation Expenses

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Depreciation on property, plant and equipments	3,652.85	3,738.75
Depreciation on Right Of Use Assets	1,583.17	1,594.51
Amortisation of intangible asset	392.24	107.74
	5,628.26	5,441.00
Less: Expenditure during construction	(513.64)	-
Total	5,114.62	5,441.00

Notes

 to the Standalone Financial Statements for the year ended March 31, 2023

Note 40 : Other Expenses

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Consumption of stores & spares	2,440.28	2,057.16
Diminution in value of Loose tools	133.33	163.75
Rates and taxes	44.98	265.74
Power	2,498.02	2,584.04
Fuel	138.96	2,024.63
Water	385.57	303.61
Repairs and maintenance:		
Building and roads	1,451.04	612.26
Plant and machinery	239.48	217.01
Others	1,550.42	1,250.76
Maintenance dredging	614.85	287.15
Transport and stores handling	95.44	89.08
Travelling and conveyance expenses	1,132.80	719.72
Printing and stationery	82.23	68.79
Postage, telephone and telex	52.52	54.34
Advertisement and publicity	404.21	306.88
Lease rent	9.94	9.53
Hire charges	556.15	570.90
Insurance charges	608.48	689.23
Security expenses	2,330.57	2,057.56
Payments to Auditors	29.00	26.24
Training expenses	750.98	657.33
Legal expenses	41.02	27.15
Consultancy	54.59	40.66
Bank charges	805.50	602.99
Net loss on foreign currency transactions	103.45	
Corporate social responsibility (Refer Note no.50)	1,654.96	1,619.47
Loss on sale/write off of property, plant and equipments	0.69	1.02
Stores written off	12.34	166.92
R&D and New initiatives *	864.16	-
Miscellaneous expenses	725.45	666.83
Total	19,811.41	18,140.75

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Auditors remuneration, Auditors remuneration for other services and Miscellaneous expenses include:

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
For Audit Fees	19.00	16.00
For Limited Review/other services	8.25	8.25
For Certifications	1.75	1.99
Total	29.00	26.24

*R&D and New initiatives includes the following:

- National Centre of Excellence for Green Port & Shipping (NCoEGPS) is a major initiative by the Ministry of Ports, Shipping and Waterways (MoPSW) towards providing greener solutions. The Energy and Resources Institute (TERI) is the knowledge and implementation partner for this project. The centre aims to develop a regulatory framework and alternate technology adoption road map for Green Shipping to foster carbon neutrality and circular economy (CE) in shipping sector in India. MoPSW, Deenadayal Port Authority Kandal, Paradip Port Authority Paradip, V O Chidambaranar Port authority Thoothukudi & Cochin Shipyard Ltd have partnered to develop NCoEGPS by providing funding support for infrastructure development and supporting research and capacity-building activities for 5 years. During FY 22-23, CSL has paid ₹475.00 lakhs to TERI which has been reported as R&D expenses.
- Ushus is a startup support program of CSL in association with IIMK LIVE & IIT Madras to augment the Government of India's initiatives to encourage and develop an ecosystem in India to support Maritime Startups. As part of this program maritime startups will receive seed funds from CSL as grants/investments. IIMK LIVE & IIT Madras will review and recommend the proposals received under this scheme for investment by CSL. Fee for their services amounts to ₹18.50 lakhs.
- M/s Boston Consulting group was entrusted for preparation of detailed report for Setting up of Ship repair cluster (Mumbai & Kochi) in India in line with MoPSW's Maritime India Vision-2030 for an amount of ₹343.00 lakhs

Note 41: Provision for Anticipated Losses and Expenditure

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Loss allowance for Trade Receivables	730.47	4,134.08
Expenses and contingencies	268.74	482.07
Total	999.21	4,616.15

Note 42: Exceptional items

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Prior period error	6,181.35	-
Total	6,181.35	-

The land and water area on which the International Ship Repair Facility (ISRF) project is taken on lease from Cochin Port Trust. The company has commenced development of the new ship repair facility with effect from 09th Jan 2018. The lease period of 30 years commences from date of Environmental Clearance. The Company has not considered capitalization of said cost amounting to ₹8288.21 lakhs from the commencement of project construction/development till 31 Mar 2023. As the amount is less than the materiality level arrived by the Company, the management rectified/corrected the prior periods error amounting to ₹6181.35 lakhs during the year, which was duly classified as 'Exceptional items'.

Notes

 to the Standalone Financial Statements for the year ended March 31, 2023

Note 43: Earnings per Equity Share

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Net Profit after tax (₹ in lakhs)	33,448.86	58,656.82
Basic and Diluted Earnings Per Share (EPS) (in ₹)	25.43	44.59
Face value per share (in ₹)	10.00	10.00

Note 44: Additional Disclosures under Ind AS 115-“Revenue from Contract with Customers”

Disclosures of Disaggregated revenue as per IND AS 115

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Revenue from Contracts with customers		
A. Revenue from goods or services transferred over time		
(i) Sale of products		
Ship building:		
Indigenous Aircraft Carrier (IAC)	1,42,418.66	1,79,266.04
Vessels other than IAC	31,830.44	67,606.85
Other operating revenue		
Ship Building Financial Assistance	1,193.43	3,486.17
Management fee	1,537.50	1,500.00
(ii) Sale of services		
Ship repairs	54,331.00	65,752.72
B. Revenue from goods or services transferred to customers at a point in time		
Other operating revenue		
Sale of Ship Building Scrap	1,017.42	774.42
Sale of Ship Repair Scrap	532.18	599.38
Total	2,32,860.64	3,18,985.58

Details of transaction price allocated to unsatisfied/ partially satisfied performance obligations:

Aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period amounts to ₹1693669.58 lakhs (excluding Cost Plus Part of IAC contract). The amount of transaction price relating to unsatisfied performance obligation that are part of a contract that has an original expected duration of one year or less has not been included in the above disclosure as permitted under Ind AS 115. Further the estimate of the transaction price as above would not include any estimated amounts of variable consideration that are constrained. Management expects that 19.63 % of transaction price allocated to unsatisfied/ partially satisfied contracts as of 31.03.2023, as stated above, will be recognised as revenue during FY 2023-24 and the remaining thereafter.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

During the year ended March 31, 2023 the Company recognised revenue of ₹69313.75 lakhs arising from opening Contract Liability as of April 01, 2022

Reconciliation of contracted price with revenue during the year

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Opening contracted price of orders	1502099.10	1495498.24
Add:		
Fresh orders/change orders received (net)	989029.34	117822.69
Increase due to additional consideration including Shipbuilding Financial assistance	(0.21)	(74.03)
Increase due to exchange rate movements (net)	4858.33	720.76
Less:		0.00
Other deductions including variations, change orders etc.	2199.59	2479.72
Orders completed during the year	48471.29	109388.84
Closing contracted price of orders	2445315.69	1502099.10
Total Revenue recognised during the year:	71715.88	146428.73
Less: Revenue out of orders completed during the year	5185.59	14774.27
Revenue out of orders under execution at the end of the year (I)	66530.29	131654.46
Revenue recognised upto previous year (from orders pending completion at the end of the year) (II)	685115.82	616418.34
Decrease due to exchange rate movements (net) (III)		
Balance revenue to be recognised in future viz. Order book (IV)	1693669.57	754026.30
Closing contracted price of orders (I+II+III+IV)	2445315.68	1502099.10

Note 45: Additional Disclosures under Ind AS 116-“Leases”

Rent and Hire charges Expense includes expense incurred for the year ended 31.03.2023 relating to Short term leases and leases of low value assets amounting to ₹130.23 lakhs (Previous year ₹83.83 lakhs).

Total Cash outflow for leases for the year ended March 31, 2023 including outflow for short term and low value leases is ₹2548.22 lakhs (Previous year ₹2560.62 lakhs).

The Company has lease term extension options that are not reflected in the measurement of lease liabilities.

The details of the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis are as follows

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Less than one year	2,805.26	2,638.68
One to five years	12,243.91	11,430.74
More than five years	1,15,109.96	1,16,909.71
Total	1,30,159.13	1,30,979.13

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to the Standalone Financial Statements for the year ended March 31, 2023

The details of the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis are as follows

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Less than one year	35.78	200.78
One to five years	159.87	152.94
More than five years	204.41	247.12
Total	400.06	600.84

Movement of Lease Liabilities are as under:

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Opening Balance	42,055.55	40,930.94
Add: Additions	565.92	
Add: Interest recognised during the year	3,914.55	3,596.60
Less: Payment made	2,410.06	2,471.99
Closing Balance	44,125.96	42,055.55

Note 46: Additional Disclosures for Hedge Accounting

The company enters into foreign exchange derivative contracts to offset the foreign currency risks arising from the amounts denominated in currencies other than Indian Rupee. The counter party to the company's foreign currency forward contracts is generally a bank.

The company has the following outstanding forward contracts, which have been designated as Cash Flow Hedges, as on 31 Mar 23:

Particulars	No. of contracts	Mar 31, 2023		No. of contracts	Mar 31, 2022	
		Notional amount of contracts	Fair Value Gain/ (Loss)		Notional amount of contracts	Fair Value Gain/ (Loss)
Euro	34	63630.13	(3892.22)	1	794.61	1.30
NOK	8	13431.68	(889.68)			
Total	42	77061.81	(4781.90)		794.61	1.30

The movement in Hedge reserve for derivatives designated as cash Flow Hedges is as follows:

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Balance at the beginning of the year Cr/(Dr)	0.97	90.60
Changes in the fair value of effective portion of outstanding cash flow derivatives (Net)	(3579.37)	(89.63)
Total	(3578.40)	0.97

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 47: CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at Mar 31, 2023 (₹ in lakhs)	As at Mar 31, 2022 (₹ in lakhs)	Brief Description of the nature and obligation
A CONTINGENT LIABILITY (To the extent not provided for)			
a Guarantees			
i Letters of Credit	19,635.79	11,664.67	Represents Letter of Credit opened by the Company in various banks for procurement of materials/assets.
ii Bank Guarantees	80,096.23	39,139.27	Bank guarantees (including continuity guarantees) represent guarantees issued by various banks on behalf of the Company to its customers and other beneficiaries. Value of advance Bank Guarantee/Indemnity Bond outstanding as on Balance sheet date is included in Note 48.
b Other money for which the company is contingently liable			
i Greater Cochin Development Authority (GCDA)	69.06	69.06	Claim raised by GCDA for the land acquired for the Company is settled. However 8 land acquisition revision petition cases (Valued at ₹69.06 lakhs) filed by evictees is pending with the Hon'ble Supreme Court and High Court.
ii Customs duties	6,485.78	16,796.84	Customs duty for materials under Bond and indigenous vessels delivered. Includes an amount of ₹69.83 lakhs being Customs duty refund granted by CESTAT, Bangalore, against which an appeal was filed by the Department before the Hon'ble High Court of Kerala. The Hon'ble High Court of Kerala has since disposed off the appeal with a direction to the Department to prefer the appeal before the Hon'ble Supreme Court of India. In absence of any further information on the departmental appeal, the same has been retained as Contingent Liability. This also includes ₹5982.16 lakhs paid under protest.
iii Income Tax	2,236.53	2,069.97	Demand relating to Assessment Years: AY 2010-11 - ₹126.26 lakhs AY 2014-15 - ₹911.07 lakhs AY 2017-18 - ₹331.77 lakhs AY 2018-19 - ₹20.76 lakhs AY 2020-21 - ₹819.51 lakhs AY 2021-22 - ₹27.16 lakhs Detailed notes in Note no. 47.1 (I)
iv Service Tax	1,647.47	1,647.47	Demand of Service Tax on IAC (Design Consultancy) as per Show Cause Notice issued. Appeal filed to CESTAT.
	376.67	376.67	Refund claim of Service Tax on IAC granted by Commissioner (Appeal). However Department filed Appeal before CESTAT against the order of Commissioner (Appeals). Also issued Show Cause Notice on CSL.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Particulars	As at Mar 31, 2023 (₹ in lakhs)	As at Mar 31, 2022 (₹ in lakhs)	Brief Description of the nature and obligation
	323.04	323.04	Demand of Service Tax on IAC (Management Fee/Handling Charges) as per Show Cause Notice issued. Appeal filed to CESTAT.
	2,339.64	2,339.64	Show Cause Notice issued for levy of service tax on ship repair without allowing deduction of materials for which VAT paid and disallowance of Cenvat Credit. Proceedings under the show cause has been dropped vide order no. COC-EXCUS-000-COM-18-17-18 dt 19.03.2018. Department filed appeal to CESTAT.
	1,885.49	1,885.49	Show Cause Notice issued for levy of Service Tax on the repair of vessels owned by UTLA by denying the benefit of Notification No.25/212-ST dt. 20-6-2012 available for the repair of vessels owned by Govt. Departments. Proceedings under the show cause has been dropped vide order no. COC-EXCUS-000-COM-11-17-18 dt 07.03.2018. Department filed appeal to CESTAT.
Service Tax	513.71	513.71	Show Cause Notice issued for levy of Service Tax on the repair of vessels during FY 2015-16 owned by UTLA by denying the benefit of Notification No.25/212-ST dt. 20-6-2012 available for the repair of vessels owned by Govt. Departments.
	734.93	734.93	Show Cause Notice issued for levy of Service Tax on the repair of vessels during FY 2016-17 owned by UTLA by denying the benefit of Notification No.25/212-ST dt. 20-6-2012 available for the repair of vessels owned by Govt. Departments.
	150.57	150.57	Show Cause Notice issued for levy of service tax on ship repair during the period 2015-16 without allowing deduction of materials for which VAT paid and disallowance of Cenvat Credit. Joint Commissioner vide OIO No.48/2020-ST(JC) dt 31.12.2020 confirmed demand. Appeal filed to Commissioner (Appeals) against OIO.
	286.85	286.85	Show Cause Notice issued for levy of service tax on ship repair during the period 2016-17 without allowing deduction of materials for which VAT paid and disallowance of Cenvat Credit.
	279.46	279.46	Show Cause Notice issued for non payment of service tax on availing services of persons in non-taxable territory for meeting contractual warranty obligations and on cost of security provided to the transportation of Barge from Cochin to Abu Dhabi. Appeal filed to CESTAT.
v Kerala Value Added Tax (KVAT)	787.32	0.00	Demand for FY 2015-16. Assessing office made additions to taxable turnover against the order of Joint Commissioner (Appeals) and raised demand.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Particulars	As at Mar 31, 2023 (₹ in lakhs)	As at Mar 31, 2022 (₹ in lakhs)	Brief Description of the nature and obligation
vi Alekton Engineering Industries Pvt Ltd	240.74	195.09	The petitioner (claimant) approached MSME Council for recovery of Liquidated damages (LD) along with interest in respect of LD deducted by CSL for delay in submission of drawings and supply of goods. MSME Council, Chennai has referred the case to Madras High Court Arbitration Centre for arbitration. Madras High Court Arbitration Centre has appointed Mr. Suhrith Parthsarrathy as the sole arbitrator. Claim petition filed by the petitioner. Examination of witness is in progress.
vii Employee State Insurance Corporation	54.66	54.66	ESI Corporation raised a demand notice for ₹62.28 lakhs towards contribution for advance trainees for the period Apr 2008- Mar 2012. Company has paid contribution of ₹26.46 lakhs for the period Jun 2010- Mar 2012 and ₹25.95 lakhs for the period Apr 2012- Jul 2013 belatedly. Later on, ESI Department has raised a demand notice of ₹19.84 lakhs towards interest on delayed payments and damages for the period Jun 2010- Jul 2013. The Company is contesting the demands made before Honourable Insurance Court, Alappuzha. In the meantime, the court has granted a stay by depositing ₹1 lakh.
viii M/s. Vigil Marine Services	1861.59	0.00	M/s. Vigil Marine Services in 2004 raised claims towards Agency Commission payable for winning orders for ATCO Tugs. The arbitration proceedings commenced on 10 Oct 2004. Examination and cross examination of witnesses completed and posted the matter for arguments on 01 and 02 Feb 2014. The Arbitrator completed the proceedings and passed his award directing the Company to pay commission to M/s Vigil Marine Services at the rate of 5% of the ATCO contract value of U S Dollar 18.25 Million with interest @ 8% per annum. Aggrieved on this CSL filed Original Suit No 187/2016 before Sub Court, Ernakulam and obtained an interim order staying execution of the award. Bank guarantee for the award amount along with interest from the date of receipt of the amount till the date of award (₹ 1305 lakhs) has been deposited as security to Hon'ble High Court and and the same is included in Note 48.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Particulars	As at Mar 31, 2023 (₹ in lakhs)	As at Mar 31, 2022 (₹ in lakhs)	Brief Description of the nature and obligation
ix Building Tax	27.54	0.00	CSL has challenged demand notice B1/14569/2019 No 112/19-20 dated 10.8.2019 under S. 10 of the Kerala Building Tax Act 1975 demanding an amount of ₹27,54,000/- towards building tax for the building owned by CSL at Girinagar (METI) by filing WP No. 14999/2023 before the Hon'ble High Court of Kerala The Hon'ble Court vide its order dated 02 May 2023 has granted interim stay of the operation of the demand notice and orders passed by the State Government till 30 May 2023.
x Property Tax	68.24	0.00	CSL challenged arrear demand notices issued by Kochi Municipal corporation for the period from 2013-14 to 2022-23 towards revised property tax for 14 old buildings of CSL by filing W.P (C) No. 12758/2023 before the Hon'ble High Court Kerala. The Hon'ble High Court Kerala vide its order dated 10 April 2023 granted interim stay of demand notices until further orders.
xi Indemnity Bond to Customs Authorities	22054.15	15347.87	Bond under Customs (Imports of Goods at Concessional Rate of Duty) rules 2017.
xii Indemnity Bond to Govt of India	30415.00	30415.00	Represent Indemnity Bonds given by Company to GoI towards performance of obligations under the IAC contract. Value of advance Bank Guarantee/Indemnity Bond outstanding as on Balance sheet date is included in Note 48
xiii Paint contamination claims	863.83	0.00	Claims raised against the Company for paint contamination spots observed on cars - Ghamadia & 128 yard at Mumbai Port.
B COMMITMENTS (To the extent not provided for)			
a Estimated amount of contracts remaining to be executed on capital account and not provided for:	65,249.69	57,686.00	Estimated amount of contracts remaining to be executed on capital account and not provided for

47.1. CONTINGENCIES AND COMMITMENTS

The Income Tax Assessment of the company has been completed up to AY 2020-21.

Demands raised as per the assessment orders totaling ₹2,236.53 lakhs for the Assessment Years 2010-11, 2014-15, 2018-19, 2017-18, 2020-21, and 2021-22 are shown under Contingent Liability pending disposal of the appeals filed before the Commissioner of Income Tax (Appeals). The demands are mainly due to the disallowance of certain genuine claims. However, the above demands have been adjusted against the refund due for the subsequent years.

48. Value of advance Bank Guarantee/Indemnity Bond outstanding as on reporting date is ₹690720.85 lakhs (Previous year ₹514684.76 lakhs)

Notes to the Standalone Financial Statements for the year ended March 31, 2023

49. Litigations :

The Company is subject to legal proceedings and claims, in the ordinary course of business. The Company's Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Company's results of operation.

50. Corporate Social Responsibility (CSR) :

As per section 135 of the Companies Act 2013, CSR committee has been formed by the Company. The areas of CSR activity includes Health Care, Education, Social Empowerment, etc., and other areas permitted in Schedule VII to the Companies Act 2013. The utilisation of CSR funds are done as per the recommendations of CSR committee. Details of amount required to be spent and the amount utilised are given below:

(₹ in lakhs)			
(a) Gross amount required to be spent by the Company during the period ended March 31, 2023			1645.62
(b) Amount spent during the year			1724.96
Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	1408.75	-	1,408.75
(ii) On purposes other than (i) above	316.21	-	316.21
	1724.96	-	1724.96

In case of Sec.135(5) Excess amount spent

(₹ in lakhs)			
Amount carry forwarded from previous financial years	Amount spent during the year	Amount charged to P&L as CSR expenses	Amount carry forwarded to succeeding financial years
40.00	1724.96	1654.96	110.00

As on 31 March 2023, the Company spent ₹119.34 lakhs in excess of amount required to be spent as per Companies Act, 2013 out of which ₹9.34 lakhs is charged to Profit and Loss and ₹110 lakhs is carried forwarded to succeeding financial years.

Additional Disclosure on CSR	As at Mar 31, 2023 (₹ in lakhs)
(i) Amount required to be spent by the company during the year,	1645.62
(ii) Amount of expenditure incurred,	1724.96
(iii) Shortfall at the end of the year,	0.00
(iv) Total of previous years shortfall,	0.00
(v) Reason for shortfall	NA
(vi) Nature of CSR activities: As per section 135 of the Companies Act 2013, CSR committee has been formed by the Company. The areas of CSR activity includes Health Care, Education, Social Empowerment, etc., and other areas permitted in Schedule VII to the Companies Act 2013. The utilisation of CSR funds are done as per the recommendations of CSR committee.	
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Nil
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Nil

Notes

 to the Standalone Financial Statements for the year ended March 31, 2023

51 . Related Party disclosure as per Ind AS 24

Related Party	Nature of Relationship	
	2022-23	2021-22
Shri Madhu S Nair Chairman & Managing Director	Key Managerial Personnel	Key Managerial Personnel
Shri Suresh Babu N V (Upto April 30, 2021) Director (Operations)	-	Key Managerial Personnel
Shri Bejoy Bhasker Director (Technical)	Key Managerial Personnel	Key Managerial Personnel
Shri Sreejith K Narayanan (From July 21, 2022) Director (Operations)	Key Managerial Personnel	-
Shri Jose V J Director (Finance) & Chief Financial Officer	Key Managerial Personnel	Key Managerial Personnel
Shri Sanjay Bandopadyaya (Upto July 28, 2022) Official Part Time (Nominee) Director, Government of India	Key Managerial Personnel	Key Managerial Personnel
Shri Vikram Singh (From July 28, 2022 to Nov 21, 2022) Official Part Time (Nominee) Director, Government of India	Key Managerial Personnel	-
Shri Rajesh Kumar Sinha (From Nov 21, 2022) Official Part Time (Nominee) Director, Government of India	Key Managerial Personnel	-
Shri K R Jyothishilal (Upto Jan 02, 2023) Official Part Time (Nominee) Director, Government of Kerala	Key Managerial Personnel	Key Managerial Personnel
Shri Biju Prabhakar (From Jan 02, 2023) Official Part Time (Nominee) Director, Government of Kerala	Key Managerial Personnel	-
Smt. Amrapali Prashant Salve (From Nov 26, 2021) Non-Official (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Nahar Singh Maheshwari (From Dec 01, 2021) Non-Official (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Ashok Sharma (From Nov 26, 2021) Non-Official (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Prithviraj Harichandan (From Nov 22, 2021) Non-Official (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Venkatesan M (From Nov 22, 2021) Non-Official (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Abhijit Biswas (From Dec 01, 2021) Non-Official (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Syamkamal N Company Secretary	Key Managerial Personnel	Key Managerial Personnel
Hooghly Cochin Shipyard Limited (Principal place of business:Kolkata)	Subsidiary Company	Subsidiary Company
Udupi Cochin Shipyard Limited (Principal place of business:Malpe)	Subsidiary Company	Subsidiary Company

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Nature of transaction-Remuneration to Key Managerial Person

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Short term benefit	295.73	267.62
Post employment Benefit	39.87	29.11
Total	335.60	296.73

Nature of transaction-Advances

Name of Related Party	Opening Balance as on 1/4/2022	Loans/ advances Taken during 2022-23	Repayment	(₹ in lakhs)	
				Balance as on 31/03/23	Interest accrued as on 31/03/23
SURESH BABU N V					
BEJOY BHASKER	0.12	0.25	0.30	0.08	0.00
JOSE V J	0.12	0.40	0.40	0.12	0.00
SREEJITH K N	0.08	0.25	0.25	0.08	0.00
SYAMKAMAL N	0.12	0.50	0.50	0.12	0.00

Name of Related Party	Opening Balance as on 1/4/2021	Loans/ advances Taken during 2021-22	Repayment	(₹ in lakhs)	
				Balance as on 31/03/22	Interest accrued as on 31/03/22
SURESH BABU N V	0.08	0.00	0.08	0.00	0.00
BEJOY BHASKER	0.08	0.40	0.35	0.13	0.00
JOSE V J	0.11	0.40	0.40	0.11	0.00
SYAMKAMAL N	0.12	0.40	0.40	0.12	0.00

Nature of transaction-Sitting Fee to Independent Directors

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Amrapali Prashant Salve	2.65	0.90
Nahar Singh Maheshwari	2.25	0.70
Ashok Sharma	3.05	0.90
Prithviraj Harichandan	2.25	0.70
Venkatesan M	1.65	0.70
Abhijit Biswas	3.05	0.90
Total	14.90	4.80

Nature of transaction - Transaction with other related parties

As CSL is a Government company under the control of Ministry of Shipping, Ports and Waterways (MoPSW), the Company has availed exemption from detailed disclosures prepared under Ind AS 24 with respect to related party transactions with Government and Government related entities.

However, as required under Ind AS 24, following are the individually significant transactions:

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Transactions/balances with Government and Government related entities by the parent company

(₹ in lakhs)

Particulars	As at	As at
	Mar 31, 2023	Mar 31, 2022
Secondment to subsidiary - Udupi Cochin Shipyard Limited	73.97	0.00
Investment in NCDs issued by subsidiary - HCSL	7500.00	7500.00
Investment in NCDs issued by subsidiary - UCSSL	1000.00	1000.00
Investment in Right Issue in subsidiary - HCSL	7400.00	2800.00
Investment in Right Issue in subsidiary - UCSSL	2500.00	0.00
Investment in Cumulative Redeemable Preference Shares in subsidiary -HCSL	5600.00	5600.00
Loans to subsidiary UCSSL	500.00	500.00
Amount payable to Government of India	234.19	234.19
Amount paid as dividend during the year to Govt. of India	17012.21	14855.74
Receiving of services from UCSSL	1342.10	574.64
Sales of stock items (unfinished) to UCSSL	0.00	14.67
Sales of stock items (unfinished) to HCSL	122.00	0.00
Interest on NCD issued by HCSL	482.43	395.68
Interest on NCD issued by UCSSL	60.00	20.71
Interest on loan to UCSSL	27.50	27.50
Advance paid to UCSSL for sub contract works	0.00	442.23
Subcontract works by HCSL	1451.99	484.00
Receivable from UCSSL for manpower services	23.17	35.24
Payable to UCSSL	265.87	0.00
Dividend on preference shares issued by HCSL	300.48	286.00

CSL's ERP system, 'SAP S/4HANA' has been implemented both in UCSSL & HCSL with the entire SAP implementation cost and licenses charges for the financial year 2022-23, aggregating to ₹77.88 lakhs, being borne by the Company on behalf of its subsidiaries, given that the Subsidiaries operations are in a nascent stage and the cash outgo would have a negative impact on their financial position. Since the costs have been borne by CSL, it is considered to be a related party transaction not at arm's length basis and Board approval has been granted under the provisions of Section 188 of the Companies Act, 2013.

In addition to the above, around 94.44 % (approx) of the companies turnover and 96.74% (approx) of trade receivables and customer advance is with respect to Government and Government related entities.

Shares held by Nominee Directors in HCSL on behalf of CSL	As at	As at
	Mar 31, 2023	Mar 31, 2022
No of Shares		
MADHU S NAIR (First Director)	10	10
BEJOY BHASKER (Director)	10	10
JOSE V J (Director)	10	10
SREEJITH K NARAYANAN (Director)	10	0

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Shares held by Nominee Directors in UCSL on behalf of CSL	As at Mar 31, 2023	As at Mar 31, 2022
	No of Shares	
MADHU S NAIR (First Director)	10	10
BEJOY BHASKER (Director)	10	10
JOSE V J (Director)	10	10

52. FINANCIAL INSTRUMENTS

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level I Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level II Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level III Inputs are unobservable inputs for the asset or liability.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required).

(₹ in lakhs)

Financial Assets/ Financial Liabilities	Fair value as at		Fair Value hierarchy
	As at Mar 31, 2023	As at Mar 31, 2022	
Financial Assets			
Non Current			
(i) Investments	33,560.71	26,158.09	Level III
(ii) Loans	1,033.82	861.06	Level III
(iii) Others	90.67	99.12	Level III
Current			
(i) Trade Receivables	33,020.51	43,667.15	Level III
(ii) Cash & Cash equivalents	2,00,882.78	45,575.92	Level III
(iii) Bank Balances other than (ii)	2,66,297.74	2,70,706.76	Level III
(iv) Loans	99.50	68.56	Level III
(v) Others	3,396.47	1,465.40	Level III
Total Financial Assets	5,38,382.20	3,88,602.06	
Financial Liabilities			
Non Current			
(i) Borrowings	2302.20	12581.98	Level III
(ii) Lease liabilities	39227.30	38680.71	Level III
(iii) Other financial liabilities	261.22	261.22	Level III
Current			
(i) Borrowings	10,279.78	0.00	Level III
(ii) Trade Payables	20,807.05	16462.80	Level III
(iii) Lease liabilities	4898.68	3374.84	Level III

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

Financial Assets/ Financial Liabilities	Fair value as at		Fair Value hierarchy
	As at Mar 31, 2023	As at Mar 31, 2022	
(iv) Other financial liabilities	14,412.88	15664.47	Level III
Total Financial Liabilities	92,189.11	87,026.03	

Note:

- The investments in equity instruments are not held for trading. Instead, they are held for medium or long term strategic purpose. The Company has chosen to designate these investments in equity instruments of Subsidiary at cost (as per Ind AS 27) and other equity instruments at FVTOCI (as per Ind AS 109), as the directors believe that this provides a more meaningful presentation of medium or long term strategic investments, than reflecting changes in fair value immediately in profit or loss. The investments in debt instruments are not held for trading. Upon the application of Ind AS 109, the Company has chosen to designate these investments at Amortised Cost.

Investments included in level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

There were no transfers between Level 1 and 2 in the period.

- Loans, Borrowings are at the market rates and therefore the carrying value is the fair value.
- The carrying amount of trade receivables, trade and other payables and short term loans are considered to be the same as their fair value due to their short term nature.

Difference between carrying amounts and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented

Financial Instruments by category

(₹ in lakhs)

	31st March 2023			31st March 2022		
	FVTPL	FVTOCI	Amortised Cost/ At Cost	FVTPL	FVTOCI	Amortised Cost/ At Cost
Financial Assets						
Investments (Non-current)						
- Equity instruments		11.32	18,535.34		9.18	11,435.34
- Debt instruments			15,014.05			14,713.57
- Preference shares						
Investments (Current)						
- Mutual Funds						
Trade receivables			33,020.51			43,667.15
Cash & Cash equivalents			2,00,882.78			45,575.92
Bank Balances			2,66,297.74			2,70,706.76
Other Financial Assets			4,620.46			2,494.14
Total Financial Assets	0.00	11.32	5,38,370.88	0.00	9.18	3,88,592.87
Financial liabilities						

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

	31st March 2023			31st March 2022		
	FVTPL	FVTOCI	Amortised Cost/ At Cost	FVTPL	FVTOCI	Amortised Cost/ At Cost
Borrowings			12,581.98			12,581.98
Trade payables			20,807.05			16,462.80
Capital creditors						
Other financial liabilities			58,800.08			57,981.24
Total Financial Liabilities	0.00	0.00	92,189.11	0.00	0.00	87,026.03

53. Financial Risk Management Policy

Financial Risk Management Objective and Policies:

The Company's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables and advances from customers. The Company's principal financial assets include Investment, loans and advances, trade and other receivables and cash and bank balances that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board provides written principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, the use of derivative financial instruments and non-derivative financial instruments, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

Market Risk

Market risk is the risk that the fair value of future cash flows of financial assets will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, being mainly commodity price risk. Financial Assets affected by market risk include loans and advances, deposits and derivative financial instruments.

A. Interest rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates is minimal since the exposure relates primarily to the Company's long-term debt obligations of redeemable non-convertible bonds with fixed interest rates as disclosed in Notes 22 and 27. With the current profile of fixed rate borrowing, the company is not sensitive to interest rate fluctuations.

B. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Foreign currency risk of the company is managed through a properly documented risk management policy approved by the board. The Board of directors also reviews the foreign currency exposure of the Company on quarterly basis. The company manages the net foreign currency risk mainly by entering into forward contracts with the bank as the counter party. The disclosures of outstanding forward contract as on reporting date is given in Note 46.

Notes to the Standalone Financial Statements for the year ended March 31, 2023

The company's exposure to foreign currency risk net of hedged exposure at the end of the reporting period expressed in INR (foreign currency amount multiplied by closing rate) are as follows:

Particulars	(₹ in lakhs)				
	USD	EURO	GBP	NOK	Total
Financial Assets					
31st March 2023	1885.63	27625.64	0.00	1489.18	31000.45
31st March 2022	3003.87	5283.96	0.00	0.00	8287.84
Financial Liabilities					
31st March 2023	1447.86	11935.36	17.82	145.17	13546.21
31st March 2022	3251.89	8667.46	22.61	176.87	12118.84

The sensitivity of profit/loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The sensitivity analysis includes only outstanding foreign currency denominated monetary items net of hedge accounting impact and adjusts their translation at the year-end for a 5% change in foreign currency rates, with all other variables held constant. The sensitivity rate represents management's assessment of the reasonably possible change in foreign exchange rates.

Particulars	5% change in foreign currency rates	
	As at Mar 31, 2023	As at Mar 31, 2022
Receivables		
USD - Strengthening of ₹ by 5%	0.00	0.00
USD - Weakening of ₹ by 5%	0.00	0.00
EURO - Strengthening of ₹ by 5%	0.00	0.00
EURO - Weakening of ₹ by 5%	0.00	0.00
GBP - Strengthening of ₹ by 5%	0.00	0.00
GBP - Weakening of ₹ by 5%	0.00	0.00
NOK - Strengthening of ₹ by 5%	0.00	0.00
NOK - Weakening of ₹ by 5%	0.00	0.00

Particulars	5% change in foreign currency rates	
	As at Mar 31, 2023	As at Mar 31, 2022
Payables		
USD - Strengthening of ₹ by 5%	(72.39)	(162.59)
USD - Weakening of ₹ by 5%	72.39	162.59
EURO - Strengthening of ₹ by 5%	(596.77)	(433.37)
EURO - Weakening of ₹ by 5%	596.77	433.37
GBP - Strengthening of ₹ by 5%	(0.89)	(1.13)
GBP - Weakening of ₹ by 5%	0.89	1.13
NOK - Strengthening of ₹ by 5%	(7.26)	(8.84)
NOK - Weakening of ₹ by 5%	7.26	8.84

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

Particulars	5% change in foreign currency rates	
	As at Mar 31, 2023	As at Mar 31, 2022
Profit Before Tax		
USD - Strengthening of ₹ by 5%	72.39	162.59
USD - Weakening of ₹ by 5%	(72.39)	(162.59)
EURO - Strengthening of ₹ by 5%	596.77	433.37
EURO - Weakening of ₹ by 5%	(596.77)	(433.37)
GBP - Strengthening of ₹ by 5%	0.89	1.13
GBP - Weakening of ₹ by 5%	(0.89)	(1.13)
NOK - Strengthening of ₹ by 5%	7.26	8.84
NOK - Weakening of ₹ by 5%	(7.26)	(8.84)

C. Commodity Price Risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of steel, major machineries, equipments etc. The Company primarily purchases its raw materials in the open market from third parties. The Company is therefore subject to fluctuations in prices for the purchase of steel, being the primary raw material inputs. The Company aims to sell the finished products based on firm contract which is negotiated after due consideration of the expected raw material prices. Therefore, the Company plans its purchases closely to optimise the price. Further since the products are of a specific nature which does not entail competition and is heterogeneous in nature due to its specification, the company's exposure to commodity risk is minimal.

The following table details the Company's sensitivity to a 5% movement in the input price of steel. The sensitivity analysis includes only 5% change in commodity prices for quantity consumed during the year, with all other variables held constant.

(₹ in lakhs)

Commodity	Increase of 5 %		Decrease of 5 %	
	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2023	As at Mar 31, 2022
Steel	182.07	88.94	(182.07)	(88.94)

Liquidity Risk

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk may arise from an inability to sell a financial asset quickly at a rate close to its fair value.

The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents provides liquidity in the short-term and long-term and manages the liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities as depicted below.

(₹ in lakhs)

Particulars	31st March 2023			31st March 2022		
	< 1 year	1-3 years	> 3 years	< 1 year	1-3 years	> 3 years
Financial Assets						
Non-current investments	281.91	4400.00	28878.80	281.91	4400.00	21476.18

Notes

 to the Standalone Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

Particulars	31st March 2023			31st March 2022		
	< 1 year	1-3 years	> 3 years	< 1 year	1-3 years	> 3 years
Loans (Non Current)	250.90	781.63	1.29	125.50	733.00	2.56
Other Financial Assets		6.44	84.23		21.70	77.42
Trade Receivables	33020.51			43667.15		
Cash and Cash Equivalents	200882.78			45575.92		
Bank Balances other than cash and cash equivalents	266297.74			270706.76		
Loans	99.50			68.56		
Other Financial Assets	3396.47			1465.40		
Total Financial Assets	504229.81	5188.07	28964.32	361891.20	5154.70	21556.17
Financial Liabilities						
Borrowings	10279.78		2302.20		10279.78	2302.20
Lease Liabilities (Non Current)		44.20	39183.10		59.24	38621.47
Other financial liabilities			261.22			261.22
Lease Liabilities	4898.68			3374.84		
Trade payables	20807.05			16462.79		
Other financial liabilities	14412.88			15664.47		
Total Financial Liabilities	50398.39	44.20	41746.52	35502.11	10339.02	41184.88

Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its exposure to other financial assets, including deposits with banks and financial institutions, derivative instruments, and other financial instruments. The company has adopted a policy of only dealing with counterparties that have sufficiently high credit rating in order to manage the credit risk. Trade receivables mainly comprise of government entities and the cash and cash equivalents and derivative instruments are maintained with banks and recognised financial institutions with high credit rating.

For trade receivables, as a practical expedient the company computes credit loss allowance based on a provision matrix which considers historically observed default rates over expected life of trade receivables, adjusted for forward looking estimates. The movement in expected credit loss allowance is disclosed in Note 14.

The Company's maximum exposure to the credit risk for the components of Balance Sheet as 31st March 2023 and 31st March 2022 is the carrying amounts mentioned in Note no 14 and as stated in Note 53, around 94.44%(approx) of company's turnover and 96.74% (approx.) of trade receivables and customer advance it with respect to Government and Govt. regulated entities. The maximum exposure relating to financial derivative instruments and financial guarantees is disclosed in Note 46 and Note 47 respectively.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

54. Disclosure pursuant to Ind AS 1 “Presentation of financial statements”:

a. Current assets expected to be recovered within twelve months and after twelve months from the reporting date

(₹ in lakhs)

Particulars	31st March 2023			31st March 2022		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Inventories	35,045.02	-	35,045.02	28,843.82	-	28,843.82
Trade receivables	33,020.51	-	33,020.51	43,667.15	-	43,667.15
Cash and cash equivalents	2,00,882.78	-	2,00,882.78	45,575.92	-	45,575.92
Bank balances	2,66,297.74	-	2,66,297.74	2,70,706.76	-	2,70,706.76
Loans	99.50	-	99.50	68.56	-	68.56
Other Financial assets	3,396.47	-	3,396.47	1,465.40	-	1,465.40
Current tax assets (net)	7,147.48	-	7,147.48	-	-	-
Other current assets	1,52,162.14	-	1,52,162.14	1,86,582.95	-	1,86,582.95

b. Current liabilities expected to be settled within twelve months and after twelve months from the reporting date:

(₹ in lakhs)

Particulars	31st March 2023			31st March 2022		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Borrowings	10,279.78	-	10,279.78	-	-	-
Lease Liabilities	4898.68	-	4,898.68	3374.84	-	3,374.84
Trade payables	20807.04	-	20,807.04	16462.79	-	16,462.79
Other financial liabilities	14,412.88	-	14,412.88	15,664.47	-	15,664.47
Other current liabilities	412822.00	-	4,12,822.00	256025.18	-	2,56,025.18
Provisions	39379.21	-	39,379.21	46751.86	-	46,751.86
Current tax liabilities (net)	0.00	-	-	2566.09	-	2,566.09

55. Segment Reporting

The Company has identified two major operating segments viz, Shipbuilding and Repair of ships/ offshore structures. Segment wise analysis has been made on the above basis and amounts allocated on a reasonable basis.

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Segment Assets		
Ship building	405583.60	251516.16
Ship Repair	282191.99	287038.89
Unallocated	303128.91	293292.23
Total	990904.50	831847.28
Segment Liability		
Ship building	315680.43	155888.80
Ship Repair	48998.81	64318.72

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Unallocated	183883.39	175721.79
Total	548562.63	395929.31
Segment Revenue		
Ship building	176645.19	251148.16
Ship Repair	56400.69	67852.09
Unallocated	20648.88	26641.68
Total	253694.76	345641.93
Segment Result		
Ship building	20777.90	57749.03
Ship Repair	9548.18	12041.89
Unallocated	14524.58	9648.14
Total	44850.66	79439.06

The Company has two major business segments – “Ship Building” and “Ship Repair”. Revenue under Ship building includes ₹155800.89 lakhs (Previous year: ₹204473.56 lakhs) from one customer (Previous year: one customer) having more than 10% revenue of the total revenue, and for Ship repair includes ₹193571.56 lakhs (Previous year: ₹40786.31 lakhs) from two customers (Previous year: two customers) having more than 10% revenue of the total revenue.

56. Capital Management

The company’s objective when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

For the purpose of capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The company is not subject to any externally imposed capital requirements.

To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return on capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings (including bonds).

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Long term borrowings	2302.20	12581.98
Net Debt	12581.98	12581.98
Equity Share Capital	13154.04	13154.04
Other equity	429187.83	422763.93
Total Equity	442341.87	435917.97
Gearing Ratio	2.84%	2.89%

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

Ratios	Numerator	Denominator	As at Mar 31, 2023	As at Mar 31, 2022	% change	Remarks if change is more than 25%
(a) Current Ratio,	Current Assets	Current Liabilities	1.39	1.69	(17.82%)	-
(b) Debt-Equity Ratio,	Total Debt	Shareholder's Equity	0.03	0.03	(5.19%)	-
(c) Debt Service Coverage Ratio,	*Earnings available for debt service	Debt Service	6.05	8.24	(26.63%)	Due to reduction in Earnings available for debt service
(d) Return on Equity Ratio,	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.08	0.14	(46.08%)	Due to reduction in Net Profits after taxes
(e) Inventory turnover ratio,	Revenue from Operations	Average Inventory	7.30	8.76	(16.72%)	-
(f) Trade Receivables turnover ratio,	Net Credit Sales	Avg. Accounts Receivable	4.75	6.72	(29.32%)	Due to reduction in Net credit sales
(g) Trade payables turnover ratio,	Net Credit Purchases	Average Trade Payables	6.25	6.68	(6.42%)	-
(h) Net capital turnover ratio,	Net Sales	Working Capital	1.19	1.36	(12.55%)	-
(i) Net profit ratio,	Net Profits	Net Sales	0.14	0.18	(21.94%)	-
(j) Return on Capital employed,	Earning before interest and taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability	0.11	0.19	(44.08%)	Due to reduction in Earnings before interest and taxes
(k) Return on investment.-Equity	Return from Equity investments	Avg Equity investments	0.00	0.00	0.00	
(l) Return on investment.-Debt	Return from Debt investments	Avg Debt investments	0.06	0.06	(2.50%)	

*Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

*Debt service = Interest & Lease Payments + Principal Repayments

- 57.** Consumption of imported goods/services for the year amounts to ₹74122.85 lakhs (₹92189.67 lakhs in previous year)
- 58.** No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 59.** The Company has no borrowings from banks or financial institutions on the basis of security of current assets. The company has been sanctioned aggregate Non –Fund based limits in excess of ₹5 Crores by the multiple banks, which are availed as and when required . It has also been sanctioned aggregate fund based limits in excess of ₹5 Crores by multiple banks which has not been availed by the company. The company is not required to file any quarterly returns or statements with the banks.
- 60.** The company is not declared wilful defaulter by any bank or financial Institution or other lender.
- 61.** The company has no transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

- 62.** The Company has entered agreement with Andaman & Nicobar Administration on a long term license basis for a period of 30 years from November 2019 onwards for developing, designing, constructing, modernising, operating, maintaining and managing the existing shiprepair facility which is named as CSL-AN Ship Repair Unit (CANSRU)
- 63.** There are no charges or satisfaction yet to be registered with ROC beyond the statutory period
- 64.** 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, 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. 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, 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.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 65.** The company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence disclosures relating to it are not applicable.
- 66.** In the case of contracts/sub-contracts, wherever final bills are not submitted by the contractors for the work done as at the close of the year, liability is estimated and provided based on the work done.
- 67.** The Company has made adequate provision towards material foreseeable losses wherever required, in respect of long term contracts. The Company do not have any long term derivative contracts for which there were any material foreseeable losses.
- 68.** Figures in brackets denote negative figures.
- 69.** Previous year figures have been regrouped and classified wherever necessary to conform to the current year presentation.

Corporate overview and Significant Accounting Policies

1-2

Notes to the Standalone Financial Statements

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The accompanying notes are an integral part of these financial statements

As per our report attached

For and on behalf of Board of Directors

For M/s Anand & Ponnappan

Chartered Accountants

(Firm Registration No.000111S)

SYAMKAMAL N

Company Secretary

Membership No. A25337

BEJOY BHASKER

Director (Technical)

DIN - 08103825

C. KRISHNAN MENON

Partner

(Membership Number: 074736)

Kochi, dated May 19, 2023

JOSE V J

Director (Finance) & Chief Financial Officer

DIN - 08444440

Kochi, dated May 19, 2023

MADHU S NAIR

Chairman and Managing Director

DIN - 07376798



Consolidated Financial Statements



Independent Auditors' Report

To
The Members of **Cochin Shipyard Limited**
Report on Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of Cochin Shipyard Limited (referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred as "Group") which comprises the Consolidated Balance Sheet as at March 31, 2023, , the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Cash Flows, and Consolidated Statement of changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information, 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 Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, the consolidated Profit including other comprehensive income, consolidated changes in equity and its consolidated cashflows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We

believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of Matters:

1. Capitalization of Cost for International Ship Repair Facility (ISRF):

Attention is drawn to Note No. 44 to the Consolidated Financial Statements, wherein, the cost directly attributable to construction/development of project is capitalized in the books with effect from commencement of project.

The land and water area on which the International Ship Repair Facility (ISRF) project is in progress, is taken on lease from Cochin Port Trust. The Holding company has commenced development of the new ship repair facility with effect from 09th Jan,2018. The lease period of 30 years commences from date of Environmental Clearance. The Holding Company/ Group has not considered capitalization of said cost amounting to ₹8,288.21 lakhs from the commencement of project construction/development. As the amount is less than the materiality level arrived by the Holding company/Group, the management rectified/ corrected the prior periods error amounting to ₹6,181.35 lakhs during the year, which was classified as 'Exceptional items' in the Statement of Profit and Loss Account.

2. Non-Factoring of Liquidated Damages for 2 Nos 1200 Passenger Vessels:

Attention is drawn to Note No.34.5 to the Consolidated Financial Statements, on shipbuilding contract with Andaman & Nicobar Administration for construction of 2 Nos 1200 Passenger Vessels. The contractual delivery date (as extended) for SH.0023 is already expired and another vessel SH.0024 is nearing expiry. The Holding Company has provided for the liquidated damages for the delay upto 29th April, 2023 and 30th Oct, 2023 in respect of SH.0023 & SH.0024 respectively. Meanwhile, at the request of the A&N administration for reallocation of vessel to other prospective buyers, the delivery of ship has been abated, with minor progress. Since the Holding Company has a valid contract with Andaman & Nicobar Administration

for construction and delivery of 2 Nos 1200 Pax Vessels, the Holding company/Group has not recognized further liquidated damages in the financials beyond the dates mentioned above.

3. Land at Kulpi:

Attention is drawn to Foot Note to Note No. 3 to the Consolidated Financial Statements, wherein it is mentioned that the value of land at Kulpi (Kolkata-230 cents) belongs to M/s Udupi Cochin Shipyard Limited (formerly, known as Tebma Shipyards Limited) has not been recognized in the subsidiary's financial statements as well as in the consolidated financial statements, pending verification of geographical area and valuation.

Our opinion is not modified in respect of these matters.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matters of the group described below to be the key audit matters to be communicated in our report.

1. Recognition Revenue- Ship Building and Ship Repair activities:

(Refer Note No.3.15(a),34 and 46 to the Consolidated Financial Statements)

There are significant accounting judgements involved in estimating contract revenue to be recognised on shipbuilding and ship repair contracts with customers, including determination of physical progress of completion as on the reporting date.

The physical progress of completion is ascertained as per the in-house procedures developed by the management of the Holding Company. The procedure and the assumptions therein, are based on certain judgements made by the management, on inputs from the technical departments of the Holding Company. Further, the ascertainment of the actual physical completion of each sub-activity on reporting date, also involves management estimation.

Significant judgements are involved in determining the expected losses, when such losses become probable

based on the expected total contract cost. Cost contingencies are included in these estimates to take into account specific risks of uncertainties or disputed claims against the Holding Company, arising within each contract. These contingencies are reviewed by the Management on a regular basis throughout the life of the contract and adjusted where appropriate. The revenue on contracts may also include variable consideration (variations and claims). Variable consideration is recognised when the recovery of such consideration is highly probable.

Due to the nature of the contracts, revenue recognition involves usage of percentage of completion method (ie., physical progress of completion) which is determined by survey of work performed, which involves technical expertise, significant judgments, identification of contractual obligations and the Holding Company's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price and recognition of the liability for loss making contracts/onerous obligations.

As revenue recognition involves aforesaid significant judgements and estimations, we therefore determined this to be a key audit matter.

Our principal audit procedures included but were not limited to:

- We assessed the appropriateness of the Holding Company's revenue recognition policies, including those related to variable considerations, by comparing with applicable accounting standards;
- We tested the effectiveness of controls relating to the evaluation of performance obligations and identification of those that are distinct; estimation of costs to complete each of the performance obligations including the contingencies in respect thereof, as work progresses and the impact thereon as a consequence of change orders; the impact of change orders on the transaction price of the related contracts; and evaluation of the impact of variable consideration on the transaction price.
- We selected a sample of contracts with customers and performed the following procedures:
 - Obtained and read contract documents for each selection, change orders, and other documents that were part of the agreement/ arrangement.

- Identified significant terms and deliverables in the contract to assess management's conclusions regarding the (i) identification of distinct performance obligations; (ii) changes to costs to complete as work progresses and as a consequence of changed orders; (iii) the impact of changed orders on the transaction price; and (iv) the evaluation of the adjustment to the transaction price on account of variable consideration.
- Compared costs incurred with Holding Company's estimates of costs incurred to date to identify significant variations and evaluate whether those variations have been considered appropriately in estimating the remaining costs to complete the contract.
- Tested the estimate for consistency with the status of delivery of milestones and customer acceptance to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligations.
- Performed analytical audit procedures for reasonableness of revenues disclosed by type and nature of service.
- Substantial reliance was placed on the technical and activity-based assessment made by the management in determination of percentage of physical progress completion.
- Assessed appropriateness of the relevant disclosures made by the Holding Company in accordance with IND AS 115.

We concluded that based on the procedures performed above, we did not find any material exceptions with regards to adoption of IND AS 115 and timing of revenue recognition.

2. Recognition and measurement of Ship Building Financial Assistance (SBFA)-Government Grant:

[\(Refer Note No.3.15\(b\),34 and 34.6 to the Consolidated Financial Statements\)](#)

Shipbuilding Financial Assistance is a monetary incentive granted by the government to the shipyards for construction of vessels/ eligible shipbuilding contracts, which is to be claimed, after the delivery of the vessels within the time stipulated under the SBFA policy.

The Holding Company has a policy of recognising the assistance over the period of the time in proportionate to the expenses incurred.

During the current year ended March 31, 2023, the Holding Company has recognised income of ₹ 1193.43 lakhs (PY - ₹3,486.17 lakhs), which is essential for the eligible shipbuilding projects. The recognition and realisation of assistance income are based on the applicable rate, to the period for which approval is issued by Director General (Shipping).

Considering prominence of the assistance to industry, revenue and profit may undergo changes on account of in such judgements and estimates. We consider this to be area of significance.

Our principal audit procedures in relation to assistance income recognition include:

- We read the relevant notifications issued by the Govt. of India and discussed with the management, to understand the underlying matters and basis for management judgement and estimates including necessary changes made in estimates to address variations noted in past. Also ascertained the prevailing trade practice in the shipbuilding industry;
- We assessed the appropriateness of the Holding Company's policy on the recognition of the assistance income by comparing with applicable accounting standards;
- We have correlated the in principle approval made by the Holding Company for eligibility of the vessels coming under assistance policy and verified the claims made by the Holding Company on delivery of vessels and subsequent realisation.
- Further, we reviewed and tested the accuracy of the assistance recognised by the management in accordance with SBFA policy, in-principal approval, and expenses incurred;
- We have enquired from the Management and discussed with those charged with governance, the appropriateness in recognising the assistance income;
- We assessed the disclosures in the standalone financial statements in this regard;

Based on the above procedures performed, the recognition of shipbuilding assistance Income is in accordance with applicable financial reporting framework and relevant notifications issued by the

Ministry of Ports, Shipping and Waterways, Govt. of India and fairly presented in the consolidated financial statements.

Information Other than the Consolidated Financial Statements and Auditor’s Report thereon

The Holding Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the Consolidated financial statements and our auditor’s report thereon.

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

As on the date of this report, the other information was not made available to us by the management. Accordingly, we are unable to comment on this matter.

Responsibility of Management for the Consolidated Financial Statements

The Holding Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies;

making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group’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 Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies in the Group are also responsible for overseeing the Group’s financial reporting process.

Auditor’s Responsibility for the Audit of the Financial Statements

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

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

- a. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. 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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors as in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated financial statements.

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

Other Matter

1. We did not audit the financial statements of two Subsidiary companies namely "M/s Hooghly Cochin Shipyard Limited" & "M/s Udupi Cochin Shipyard Limited (formerly known as Tebma Shipyards Limited)", whose standalone financial statements reflects total assets of ₹48,165.56 lakhs (PY - ₹38,997.34 lakhs) as at March 31,2023, total income of ₹6542.23 lakhs (PY- ₹1053.22 lakhs) and the net cashflows of ₹2,458.57 lakhs (PY- ₹ (1,374.35) lakhs) for the year ended on that date, as considered in the consolidated financial statements.
2. M/s Udupi Cochin Shipyard Limited ('UCSL') (formerly known as Tebma Shipyards Limited), a wholly-owned subsidiary of the Company is the custodian of the two ships namely, Y123-MPSV and Y159-TUG which are excluded from resolution plan at the time of acquisition under CIRP vide NCLT order dated 04th March,2020. Out of the two vessels, Y123 -MPSV has already been sold by the CoC and amount received by them during the financial year, which was classified as "Exceptional Items" in the Statement of Profit and Loss Account. As UCSL has title and custody of the said ships and has an obligation towards Financial Creditors/ Committee of Creditors (CoC) for remittance of entire sale proceeds made, which we are of the opinion that the said asset and liability to be incorporated in their standalone financial statements of said subsidiary company. Consequently, it is not considered in the consolidated financial statements.

These financial statements have been audited by other auditor whose report have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the

aforesaid subsidiary, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on the "Other Legal and Regulatory Requirements" below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 (xxi) of the Order, to the extent applicable.
 2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on the separate financial statements and other information of the subsidiaries referred to in the "Other Matters" section above, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2016 as amended from time to time except revenue recognition of subsidiaries in the Group, whose accounting policies are different from those adopted in the consolidated financial statements for measuring the method of the progress and revenue recognition and no appropriate adjustments are made to that subsidiaries financial statements in preparing the consolidated financial statements.
- e. The provisions of Section 164(2) of the Act in respect of disqualification of directors are not applicable to the Holding Company and its Subsidiaries, being a Government Company/ies in terms of notification no. G.S.R.463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended: The provisions of Section 197 read with Schedule V of the Act, relating to managerial remuneration are not applicable to the Holding Company and its Subsidiaries, being a Government Company/ies, in terms of Ministry of Corporate Affairs Notification no. G.S.R. 463 (E) dated 5th June, 2015;
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group- Refer Note No. 49 to the Consolidated Financial Statements;
 - ii. The Group Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Group;

- iv. a. The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, 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.
- c. Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. In respect of the holding company, we report that the dividend declared/paid by the holding Company during the year is in compliance with section 123 of the Companies Act, 2013.
- The subsidiaries have not declared or paid any dividends during the year.

Place: Kochi
Date: 19.05.2023

For **Anand and Ponnappan**
Chartered Accountants
FRN00111S

C. Krishnan Menon
Partner
Membership No :074736
UDIN: 23074736BGVWVC4442

Annexure – A to Independent Auditors’ Report

Referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” Section of our Report of even date.

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

S.No	Name of the Company	CIN	Relation	Date of Auditor’s Report	Paragraph number in the respective CARO reports
1.	Cochin Shipyard Limited	L63032KL1972GOI002414	Holding Company	19th May,2023	Nil
2.	Hooghly Cochin Shipyard Limited	U35900WB2017GOI223197	Subsidiary	28th April,2023	Nil
3.	Udupi Cochin Shipyard Limited	U27209TN1984GOI010994	Subsidiary	28th April,2023	i(a)(A) & i(c)

For Anand and Ponnappan

Chartered Accountants
FRN00111S

C. Krishnan Menon

Partner

Membership No :074736

UDIN: 23074736BGVWVC4442

Place: Kochi
Date: 19.05.2023

Annexure – B to the Auditors' Report

Referred to in Paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of the Company of even dated.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financials Controls over Financial Reporting of Cochin Shipyard Limited (referred to as the "Company") and its subsidiary companies, which are incorporated in India for the year ended March 31, 2023, in conjunction with our audit of the Consolidated Financial Statements of the company.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its Subsidiaries are 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's and its subsidiaries internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide us for our audit opinion on the company's and its subsidiaries 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 standalone 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:

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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, the company and its subsidiaries has in all material respects, maintains adequate internal financial controls system over financial reporting and such internal financial controls

over financial reporting were operating effectively as at March 31,2023, 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the subsidiary companies incorporated in India is based on the corresponding reports of the auditors of the subsidiary companies incorporated in India.

Our opinion is not modified in respect of this matter.

For Anand and Ponnappan

Chartered Accountants
FRN00111S

C. Krishnan Menon

Partner
Membership No :074736
UDIN: 23074736BGVWVC4442

Place: Kochi
Date: 19.05.2023

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF COCHIN SHIPYARD LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of consolidated financial statements of Cochin Shipyard Limited for the year ended 31 March 2023 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 auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 19.05.2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Cochin Shipyard Limited for the year ended 31 March 2023 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Udupi Cochin Shipyard Limited but did not conduct supplementary audit of the financial statements of Hooghly Cochin Shipyard Limited for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

Place: Chennai
Date: 04.08.2023

(S. Velliangiri)
Principal Director of Commercial Audit

Consolidated Balance Sheet

as at March 31, 2023

Particulars	Note No.	(₹ in lakhs)	
		As at Mar 31, 2023	As at Mar 31, 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	94,329.82	96,514.17
(b) Capital work-in-progress	4	1,60,249.73	1,24,134.66
(c) Intangible assets	5	966.05	450.53
(d) Intangible assets under development	6	1,602.37	2,303.95
(e) Financial assets			
(i) Investments	7	11.32	9.18
(ii) Loans	8	520.60	347.84
(iii) Other Financial Assets	9	107.34	99.49
(f) Income tax assets (net)	10	3,007.47	3,439.92
(g) Deferred tax assets (net)	11	10,449.51	11,514.13
(h) Other non-current assets	12	17,184.46	18,463.81
Total Non-Current assets		2,88,428.67	2,57,277.68
Current assets			
(a) Inventories	13	37,299.71	29,836.03
(b) Financial Assets			
(i) Trade receivables	14	33,841.50	43,702.07
(ii) Cash and cash equivalents	15	2,08,115.55	50,350.13
(iii) Bank balances other than (ii) above	16	2,67,686.22	2,70,916.71
(iv) Loans	17	99.50	68.56
(v) Other Financial assets	18	3,421.07	1,473.75
(c) Current tax assets (net)	10	7,147.48	-
(d) Other current assets	19	1,56,051.92	1,87,734.01
Total Current assets		7,13,662.95	5,84,081.26
Asset held for Sale	20	-	13.59
Total Assets		10,02,091.62	8,41,372.53
EQUITY AND LIABILITIES			
Equity :			
(a) Equity share capital	21	13,154.04	13,154.04
(b) Other equity	22	4,29,610.60	4,26,164.14
Total Equity		4,42,764.64	4,39,318.18
Liabilities :			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	2,302.20	12,581.98
(ii) Lease Liabilities	24	40,446.48	39,363.70
(iii) Other financial liabilities	25	261.22	261.22
(b) Provisions	26	3,964.58	3,568.12
(c) Other non current liabilities	27	248.98	9.16
Total Non-Current Liabilities		47,223.46	55,784.18
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	28	10,984.78	-
(ii) Lease Liabilities	29	4,999.40	3,432.87
(iii) Trade payables	30		
Total outstanding dues of Micro Enterprises and Small Enterprises		5,716.84	1,074.47
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		15,931.10	15,790.49
(iii) Other financial liabilities	31	19,344.46	18,674.41
(b) Other current liabilities	32	4,15,106.90	2,56,129.42
(c) Provisions	33	40,020.04	48,602.42
(d) Current tax liabilities (net)	10	-	2,566.09
Total Current Liabilities		5,12,103.52	3,46,270.17
Total Equity and Liabilities		10,02,091.62	8,41,372.53
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The accompanying notes are an integral part of these financial statements

As per our report attached

For and on behalf of Board of Directors

For M/s Anand & Ponnappan

Chartered Accountants
(Firm Registration No.0001115)

C. KRISHNAN MENON

Partner
(Membership Number: 074736)
Kochi, dated May 19, 2023

SYAMKAMAL N

Company Secretary
Membership No. A25337

JOSE V J

Director (Finance) & Chief Financial Officer
DIN - 08444440
Kochi, dated May 19, 2023

BEJOY BHASKER

Director (Technical)
DIN - 08103825

MADHU S NAIR

Chairman and Managing Director
DIN - 07376798

Consolidated Statement of Profit & Loss

For the year ended March 31, 2023

(₹ in lakhs)

Particulars	Note No.	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
I Income			
Revenue from operations	34	236455.48	319094.70
Other income	35	20701.25	26281.60
Total Income		257156.73	345376.30
II Expenses:			
Cost of materials consumed	36	112188.86	161891.99
Changes in Inventories of Work-in-Progress	37	(143.74)	(352.31)
Sub contract and other direct expenses	38	43489.88	41080.97
Employee benefits expenses	39	33425.55	31107.18
Finance costs	40	3502.59	4711.37
Depreciation and amortisation expenses	41	6884.21	6801.95
Other expenses	42	21147.82	18649.66
Provision for anticipated losses and expenditure	43	999.21	4616.15
Total expenses		221494.38	268506.96
III Profit/ (Loss) before exceptional items and tax		35662.35	76869.34
Exceptional Items	44	6,181.35	(275.15)
Profit/ (Loss) before Tax		41,843.70	76,594.19
IV Tax expense:			
(1) Current tax	10	10308.17	19687.24
(2) Deferred tax	10	1064.62	510.81
V Profit for the year		30470.91	56396.14
VI Other comprehensive income			
A) Items that will be reclassified to profit or loss			
i) Effective portion of gains/losses on cash flow hedging instruments		(4781.91)	(119.78)
ii) Income tax relating to items that will be reclassified to profit or loss		1203.51	30.15
B) Items that will not be reclassified to profit or loss			
i) Remeasurements of defined employee benefit obligations		(132.28)	(23.00)
ii) Changes in fair value of FVTOCI equity instruments		2.14	0.00
iii) Income tax relating to items that will not be reclassified to profit or loss		33.59	5.98
Other comprehensive income for the year		(3674.95)	(106.65)
VII Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period)		26795.96	56289.49
VIII Earnings per equity share of ₹ 10 each :	45		
(1) Basic (₹)		23.16	42.87
(2) Diluted (₹)		23.16	42.87
Corporate overview and Significant Accounting Policies	1 - 2		
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The accompanying notes are an integral part of these financial statements

As per our report attached

For and on behalf of Board of Directors**For M/s Anand & Ponnappan**Chartered Accountants
(Firm Registration No.000111S)**SYAMKAMAL N**Company Secretary
Membership No. A25337**BEJOY BHASKER**Director (Technical)
DIN - 08103825**C. KRISHNAN MENON**Partner
(Membership Number: 074736)
Kochi, dated May 19, 2023**JOSE V J**Director (Finance) & Chief Financial Officer
DIN - 08444440
Kochi, dated May 19, 2023**MADHU S NAIR**Chairman and Managing Director
DIN - 07376798

Consolidated Statement of Cash Flows

For the year ended March 31, 2023

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
A. Cash flow from operating activities		
Profit before tax	41,843.70	76,594.19
Adjustments for :		
Exceptional items	(6,181.35)	275.15
Depreciation and amortisation expense	7,434.90	6,966.41
Diminution in value of Loose tools	133.33	-
Finance cost	3,502.59	4,711.37
Interest income	(12,365.83)	(7,222.31)
Loss on sale/write off of property, plant and equipment	4.92	1.02
Profit on sale of Fixed assets	(6.11)	-
Deferred Govt. Assistance	(1.14)	(1.14)
Loss/(gain) on derivative contracts (net)	-	(178.41)
Net (gain) /loss on foreign currency transactions	109.01	(173.26)
Operating cash flow before working capital changes	34,474.02	80,973.03
Movements in working capital :		
(Increase) / decrease in inventories	(7,463.68)	12,642.95
(Increase) / decrease in trade, other receivables and assets	19,509.44	13,268.46
Increase / (decrease) in trade and other payables	1,53,740.79	48,003.93
	2,00,260.57	1,54,888.37
Income tax paid net of refunds	(11,355.34)	(15,064.04)
Net cash flows from operating activities (A)	1,88,905.23	1,39,824.33
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(4,503.12)	(17,451.60)
(Increase) / decrease in Intangible assets under development	701.58	-
(Increase) / decrease in capital work In progress	(29,933.72)	(8,853.43)
(Increase) / decrease in Other Bank balances	3,230.49	(85,144.42)
(Increase) / decrease in Capital advance	16,455.40	3,596.61
Sale proceeds from PPE	83.80	3.78
Interest received	10,433.62	7,145.82
Net cash flows from investing activities (B)	(3,531.95)	(1,00,703.23)

Consolidated Statement of Cash Flows

For the year ended March 31, 2023

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
C. Cash flow from financing activities		
(Borrowings)/ Repayment of loans	(203.70)	(67.60)
Net gain/(loss) on foreign currency transactions	(219.05)	143.43
Repayment of lease liability	(2,655.34)	(2,527.50)
Dividend paid	(23,348.40)	(20,388.76)
Finance cost	(1,181.37)	(1,051.55)
Net cash flows from financing activities (C)	(27,607.86)	(23,891.98)
D. Net Increase in Cash & Cash Equivalents (A)+(B)+(C)	1,57,765.42	15,229.12
Cash and cash equivalent at the beginning of the Year	50,350.13	35,121.04
Cash and cash equivalent at the end of the Year	2,08,115.55	50,350.13
*Cash and Cash Equivalents include earmarked funds of ₹169785 lakhs as on March 31, 2023		
Corporate overview and Significant Accounting Policies	1 - 2	
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The accompanying notes are an integral part of these financial statements

As per our report attached

For and on behalf of Board of Directors**For M/s Anand & Ponnappan**Chartered Accountants
(Firm Registration No.000111S)**SYAMKAMAL N**Company Secretary
Membership No. A25337**BEJOY BHASKER**Director (Technical)
DIN - 08103825**C. KRISHNAN MENON**Partner
(Membership Number: 074736)
Kochi, dated May 19, 2023**JOSE V J**Director (Finance) & Chief Financial Officer
DIN - 08444440
Kochi, dated May 19, 2023**MADHU S NAIR**Chairman and Managing Director
DIN - 07376798

Consolidated Statement of Changes in Equity

For the year ended March 31, 2023

A. Equity Share Capital

(₹ in lakhs)

Balance at the beginning of the current reporting period	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 year	As at March 31, 2023
13,154.04	0.00	0.00	0.00	13,154.04

Balance as at April 01, 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 year	As at March 31, 2022
13,154.04	0.00	0.00	0.00	13154.04

▶ CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Consolidated Statement of Changes in Equity

For the year ended March 31, 2023

B. Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus						Other Comprehensive Income	Total		
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Debt Redemption Reserve		Effective portion of Cash Flow Hedges	Attributable to the Parent Company	Attributable to NCI
Balance as at April 01, 2022	7024.25	93152.08	6322.75	305641.87	12353.76	1668.44	0.98	426164.12	0.00	426164.14
Changes in accounting policy or prior period errors										0.00
Restated balance at the beginning of the reporting period	7024.25	93152.08	6322.75	305641.87	12353.76	1668.44	0.98	426164.12	0.00	426164.14
Profit for the year				30470.91						30470.91
Other comprehensive income for the year				(96.56)			(3579.37)			(3675.93)
Total comprehensive income for the year				30374.35			(3579.37)			26794.98
Dividends				(23348.38)						(23348.38)
Transfer to retained earnings										0.00
Amortisation of premium		(0.12)						(0.12)		(0.12)
Balance as at March 31, 2023	7024.25	93151.96	6322.75	312667.84	12353.76	1668.44	(3578.40)	429610.60	0.00	429610.60

Refer Note 22 for further details

Consolidated Statement of Changes in Equity

For the year ended March 31, 2022

(₹ in lakhs)

Particulars	Reserves and Surplus				Comprehensive Income		Total			
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Debt Redemption Reserve	Effective portion of Cash Flow Hedges	Attributable to the Parent Company	Attributable to NCI	Other equity
Balance as at April 01, 2021	6951.80	93152.20	6322.75	269651.51	12353.76	1668.44	90.60	390191.06	0.00	390191.08
Changes in accounting policy or prior period errors										0.00
Restated balance at the beginning of the reporting period	6951.80	93152.20	6322.75	269651.51	12353.76	1668.44	90.60	390191.06	0.00	390191.08
Profit for the year				56396.14				56396.14		56396.14
Other comprehensive income for the year				(17.02)			(89.63)	(106.65)		(106.65)
Total comprehensive income for the year				56379.12	0.00	0.00	(89.63)	56289.49		56289.49
Dividends				(20388.76)				(20388.76)		(20388.76)
Transfer to retained earnings										0.00
Land accounted at fair value	72.45							72.45		72.45
Amortisation of premium		(0.12)						(0.12)		(0.12)
Balance as at March 31, 2022	7024.25	93152.08	6322.75	305641.87	12353.76	1668.44	0.98	426164.13	0.00	426164.14

Refer Note 22 for further details

As per our report attached

For and on behalf of Board of Directors

For M/s Anand & Ponnappan

Chartered Accountants
(Firm Registration No.000111S)

SYAMKAMAL N

Company Secretary
Membership No. A25337

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DIN - 07376798

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

1. CORPORATE OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1.1. Corporate information

Cochin Shipyard Limited (referred to as “CSL” or “Holding Company” or “the Group”) is mainly engaged in the construction of vessels and repairs and refits of all types of vessels including upgradation of ships periodical layup repairs and life extension of ships.

The Holding Company is a public limited Company incorporated and domiciled in India. The address of its corporate office is Perumanoor, Kochi, Kerala. As at March 31, 2023, the Government of India holds 72.86% of the Group’s equity share capital. The Group’s equity shares are listed for trading on NSE Limited and BSE Limited in India and tax free bonds are listed for trading on BSE.

The consolidated financial statements relate to Cochin Shipyard Limited (Holding Company) and its Subsidiaries, Hooghly Cochin Shipyard Limited (hereinafter referred to as HCSL) and Udipi Cochin Shipyard Limited (hereinafter referred to as UCSL) (Formerly Tebma Shipyards Ltd).

The Holding Company and its Subsidiary are together referred to as “Group”.

The consolidated financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on May 19, 2023.

Details of Subsidiary Groups	Share holding
Hooghly Cochin Shipyard Ltd. (hereinafter referred to as HCSL) incorporated on October 23, 2017 is proposed to be mainly engaged in the business of construction and repair of vessels of all types.	100%
Udipi Cochin Shipyard Limited (Formerly Tebma Shipyards Ltd), acquired on September 15, 2020 through NCLT process, is proposed to be mainly engaged in the business of construction and repair of vessels of all types.	100%

2. Basis of preparation of Consolidated Financial Statements

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred

to as “Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other Accounting Principles generally accepted in India.

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division II of Schedule III to the Companies Act, 2013 (the Act). The Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 “Statement of Cash Flows”. The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Accounting policies at 3.1,3.6,3.9,3.14,3.15,3.24,3.25 have been modified/reworded which do/do not have any impact on the financial statements but to bring in more clarity to the users of the financial statements.

2.2. Functional and Presentation Currency

The financial statements are presented in Indian Rupees (₹) which is Group’s presentation and functional currency and all values are rounded to the nearest lakhs (rounded off to two decimals) as permitted by Schedule III of the Act except when otherwise indicated.

2.3. Basis of Measurement

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Current/ Non-Current Classification

An Asset/ liability is classified as current if it satisfies any of the following conditions:

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

- i. the asset/ liability is expected to be realized/ settled in the Group's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/ liability is held primarily for the purpose of trading;
- iv. the asset/ liability is expected to be realized/ settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/ non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle of different business activities as follows:

- (i) In case of ship building and ship repair, normal operating cycle is considered vessel wise, as the time period from the effective date of contract to the date of delivery of the vessel.
- (ii) In the case of other business activities, normal operating cycle is 12 months.

2.3.1 Basis of consolidation

The financial statements comprise the financial statements of the CSL and its subsidiaries as at March 31, 2023.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the Consolidated Financial Statements to ensure conformity with the group's accounting policies.

The Financial Statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on March 31. Following consolidation procedure is followed:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3.2 Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition related transaction costs are recognised as expense in the statement of profit and loss as and when incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

* Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

* Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

Aggregate amount of consideration transferred (Purchase consideration) in excess of the Group's interest in the acquiree's net fair value of identifiable assets and liabilities is recognised as Goodwill. Excess of the Group's interest in the net fair value of the acquiree's identifiable assets and liabilities over the purchase consideration is recognised in the Capital Reserve.

Non-Controlling Interest

Non-controlling interest represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Group's shareholders. Non-controlling interest is initially measured at the proportionate share of the recognized amounts of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of the interest at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and other comprehensive income are attributed to the owners of the Holding Company and to the non-controlling interests, shown separately in the financial statements.

2.4 Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the consolidated financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and

associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognized in the period in which the results are known/materialize.

The estimates and underlying assumptions are reviewed on an ongoing basis.

2.5 Critical Accounting estimates and judgements:

The application of significant accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in the consolidated financial statements have been disclosed below:

Valuation of deferred tax assets / liabilities

The Group reviews the carrying amount of deferred tax assets / liabilities at the end of each reporting period. Significant judgements are involved in determining the elements of deferred tax items.

Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgements in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

For computation of lease liability, Ind AS 116 requires lessee to use their incremental borrowing rate as discount rate if the rate implicit in the lease contract cannot be readily determined.

For leases denominated in Group's functional currency, the Group considers the incremental borrowing rate to be the interest rate on borrowings from banks available to the Group.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Provision towards Guarantee repairs

A provision is made towards guarantee repairs/claims in respect of newly built ships/small crafts delivered and repaired ships on the basis of the technical estimation done by the Group. The guarantee claims received from the ship owners are reviewed every year till settlement of the same. In case of a shortfall in the provision made earlier, additional provisions are made.

Litigations

From time to time, the Group is subject to legal proceedings and the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgment is made when evaluating, among other factors, the probability of unfavourable outcome and the liability to make a reasonable estimate of the amount of potential loss. Provision for litigations are reviewed at the end of each accounting period and revisions made for the changes in facts and circumstances.

Fair value measurements

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 under current market conditions.

The Group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Group's assumptions about pricing by market participants.

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management

bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Liquidated Damages

Claims for liquidated damages against the Group are recognized in the financial statements based on the management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.

Revenue Recognition

The Group exercises significant judgement in measuring progress of performance obligations satisfied over time for recognition of revenue from contracts with customers. Provision for estimated losses if any, on the uncompleted part of the contracts are provided in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the Government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post employment benefit obligations.

3. Significant Accounting Policies

3.1 Property , Plant and Equipment (PPE)

Property, Plant and Equipments are stated at cost less accumulated depreciation (other than free hold land which are stated at cost) and impairment losses, if any. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management including non refundable duties and taxes net of any trade discounts and rebates. The cost of PPE also includes interest on borrowings (borrowing cost directly attributable to acquisition, construction or production of qualifying assets) upto initial recognition.

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Spare Parts are capitalized when they meet the definition of PPE, i.e., when the Group intends to use these for a period exceeding 12 months, which have value of more than ₹5 lakhs (limited needs to be decided by the Management) which can be used only in connection with an item of property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the spares or principal item of the relevant assets, whichever is lower.

The initial estimate of the cost of dismantling, removing the item and restoring the site on which PPE is located, the obligation for which is incurred when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during the period, is capitalized as a component of PPE.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the items are material and can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

The Group had applied for the one-time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2015 as the deemed cost under Ind AS. Hence regarded thereafter as historical cost. However in case of UCSSL, fair value has been adopted as deemed cost on the transition date to IndAS.

3.2 Capital work in progress

Capital work in progress are property, plant and equipment that are not yet ready for their intended use at the reporting date, which are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

3.3 Intangible Assets

Design development: Cost incurred on Design Development which are not directly chargeable on a product are capitalized as Intangible Asset and amortised on a straight-line basis over a period of five years.

Software: Cost of software which is not an integral part of the related hardware acquired for internal use is capitalised as

intangible asset and amortised on a straight-line basis over a period of three years.

Internally generated procedure: Cost of internally generated weld procedure is capitalized as Intangible Asset and amortised on a straight-line basis over a period of three years.

The Group had applied for the one-time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2015 as the deemed cost under Ind AS. Hence regarded thereafter as historical cost.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Computer software/ license is under development or is not yet ready for use, accumulated cost incurred on such items are accounted as "Intangible Assets Under Development".

3.4 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

The Group's lease asset classes primarily consist of leases for Land and Buildings.

As a Lessee:

At the date of commencement of the lease, the Group recognises a lease liability and a corresponding right-of-use ("RoU") asset for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Group recognises the lease payments as an operating expense on a straight-line basis or another systematic basis over the term of the lease.

Right of Use Assets

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease

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incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Lease Liabilities

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and RoU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the RoU asset. Any gain or loss on modification is recognized in the Statement of Profit and Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

As a lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease.

For operating leases, rental income is recognized on a straight line basis or another systematic basis over the term of the relevant lease. The difference between the amount recognised as lease rental income and actual cashflows receivable as per the lease agreement is adjusted in ("Accrued Lease Rental asset").

3.5 Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured

initially at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses.

Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Part C of Schedule II to Companies Act 2013.

Investment properties are de-recognised either on disposal or on permanent withdrawal from use. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss.

3.6 Depreciation

Depreciation on property, plant and equipment is provided on straight-line method based on useful life of the asset as prescribed in part C of Schedule II to the Companies Act, 2013 except to the extent described below:

- * For the assets acquired from Cochin Port Trust for International Ship Repair Facility (ISRF), depreciation is provided on the basis of remaining useful life as assessed by technical experts.

- * Assets on leased premises are depreciated from the commencement date on a straight line basis over the shorter of its the end of the useful life of the Right Of Use asset/ Assets on leased premises or the end of the lease term.

- * Depreciation on additions/deletions to Gross Block is calculated on pro-rata basis from the date of such additions and upto the date of such deletions.

Depreciable amount is the cost of an asset, or other amount substituted for cost, less its residual value. A maximum residual value of 5% of original cost is considered for all category of assets.

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

Management believes that useful life of assets are same as those prescribed in Part C of Schedule II to the Act, except for certain types of buildings and equipments wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act.

Based on the technical evaluation of the management, for few categories of plant and machinery, the useful life is determined on double shift basis.

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Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for certain types of buildings and equipments wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II to Companies Act, 2013.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain/loss arising on derecognition of the asset is included in the Statement of profit and loss when the asset is derecognised. Fully depreciated assets still in use are retained in financial Statements at residual value.

Capital Work in Progress included under Property, Plant and equipment are not depreciated as these assets are not yet available for use. However, they are tested for impairment if any.

3.7 Impairment of Assets -Non Financial Assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, available quoted market prices for public traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

3.8 Non-current assets held for sale

The Group classifies a non-current asset as held for sale if carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition and its sale is highly probable.

Non-current assets including discontinued operations, classified as held for sale are measured at the lower of the carrying amounts and fair value less costs to sell and presented separately in the financial statements. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item in statement of profit and loss.

3.9 Inventories

Raw materials and components are valued at weighted average cost method or net realisable value whichever is lower. However, Raw materials, components and other supplies held for use in the production /services are not written down below cost if the finished products/supply of services in which they will be incorporated are expected to be sold at or above cost. Stores and spares are valued at weighted average cost method. Goods in transit are valued at cost .

Work In Progress (WIP) other than construction contracts have been valued at lower of cost and net realisable value.

Finished goods are valued at cost or net realisable value which ever is lower.

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3.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Equity Instruments

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recognised at the proceeds received net of direct issue cost.

Financial Assets

Initial recognition and measurement

All Financial Assets other than trade receivables are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the Financial Asset. Transaction costs directly attributable to the acquisition of financial assets measured at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

Subsequent measurement

For the purpose of subsequent measurement, Financial Assets are classified in three categories:

- * Financial assets at amortised cost;
- * Financial assets at Fair Value through other comprehensive income (FVTOCI);
- * Financial assets at Fair Value through statement of profit and loss (FVTPL);

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.

Financial assets at Fair Value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

Financial assets at Fair Value through statement of profit and loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Investments

All equity investments in scope of Ind AS 109 Financial Instruments, are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group had made an irrevocable election to present the subsequent changes in the fair value in other comprehensive income. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition/transition and is irrevocable.

There is no recycling/reclassification of the amounts from OCI to the Statement of Profit and Loss, even on sale/disposal of the said equity investments.

Investment in preference shares/debentures of the subsidiaries are treated as equity instruments if the same are convertible into equity shares. Investment in preference shares/debentures not meeting the aforesaid condition is classified as debt instruments at amortised cost.

Investment in a 'debt instrument' is measured at the amortised cost if both the following conditions are met: The asset is held within a business model whose objective is -

- (1) To hold assets for collecting contractual cash flows, and
- (2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the Effective Interest Rate (EIR). The EIR amortisation is included in other income in the Statement of Profit and Loss.

Impairment of Financial Assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial Assets that are Debt Instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial guarantee contracts which are not subsequently measured as at FVTPL.
- c) Lease Receivables under Ind AS 116.

Simplified Approach

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables.

Trade Receivables

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as contract asset. A receivable is a right to consideration that is unconditional and only the passage of time is required before the payment of that consideration is due.

The Group assesses at each Balance Sheet date whether a financial asset or a group of financial asset is impaired. Ind AS 109 requires expected credit loss to be measured through a loss allowance.

The Group recognises lifetime expected credit losses for all trade receivables that do not constitute a financing transaction. Impairment loss allowance is based on a simplified approach as permitted by Ind AS 109. As a practical expedient, the Group uses a provision matrix to determine the impairment loss on the portfolio of its trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and

changes in the forward-looking estimates are analysed. On that basis, the Group estimates provision on trade receivables at the reporting date.

Impairment loss allowance (or reversal) that is required to be recognised at the reporting date is recognised as an impairment loss or gain in the Statement of Profit & Loss Account.

General Approach

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized in the Statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

- * Financial Assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- * Financial Guarantee contracts: ECL is presented as a provision in the Balance Sheet, i.e. as a liability.
- * Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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3.11 Financial liabilities

Initial recognition and measurement

Financial Liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost, as appropriate.

All Financial Liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortised cost, they are measured net of directly attributable transaction cost. In case of Financial Liabilities measured at fair value through profit or loss, transaction costs directly attributable to the acquisition of financial liabilities are recognized immediately in the Statement of Profit and Loss.

The Group's Financial Liabilities include trade and other payables, loans and borrowings including financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- * Financial liabilities at Fair Value through statement of profit and loss (FVTPL);
- * Financial liabilities at amortised cost;
- * Financial Guarantee Contracts;

Financial Liabilities at fair value through profit or loss

Financial Liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through the Statement of Profit and Loss. Financial Liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial Liabilities at amortised cost

Financial Liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at

amortised cost are determined based on the effective interest method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make the payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction cost that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognized less cumulative income recognized in accordance with principles of Ind AS 115.

De-recognition of Financial Instruments

A financial asset is de-recognised when:

- * The rights to receive cash flows from the asset have expired, or
- * the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability or a part of financial liability is de-recognised from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and

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there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative instruments and hedge accounting:

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value of derivatives depends on the designation or non-designation of derivative as hedging instruments. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivative that are designated as Hedge Instrument

The Group undertakes foreign exchange forward contracts for hedging foreign currency risks. The Group generally designates the whole forward contract as hedging instrument.

These hedging instruments are governed by the Group's foreign exchange risk management policy approved by the Board of Directors.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that the hedge is actually have been highly effective throughout the financial reporting periods for which it was designated.

The effective portion of change in the fair value of the designated hedging instrument is recognised in the Other Comprehensive Income ('OCI') and accumulated under the heading Cash Flow Hedge Reserve within Equity. The gain or loss relating to the ineffective portion is recognized immediately in the Statement of Profit and Loss and included in the Other Income or Other Expenses as Gain on Derivatives or Loss on Derivatives respectively.

Amounts previously recognized in OCI and accumulated in equity relating to effective portion are reclassified to Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line item as the recognized hedged item or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting.

Contract Assets

Where the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Group presents the contract as a contract asset. A contract asset is Group's right to consideration in exchange for goods or services that the Group has transferred to a customer, when that right is conditioned on something other than the passage of time. Contract assets are reviewed for impairment in accordance with Ind AS 109.

Contract Liabilities

Where the Group receives consideration, or the Group has a right to an amount of consideration that is unconditional (ie a receivable), before the Group transfers a good or service to the customer, the Group presents the contract as a contract liability when the payment is made or the payment is due (whichever is earlier). A contract liability is Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

3.12 Foreign Currency Transactions

Functional & Presentation Currency

The financial statements are presented in Indian Rupees ("INR"), which is the functional currency and presentation currency of the Group.

Transactions & Balances:

Foreign exchange transactions are recorded in functional currency adopting the exchange rate prevailing on the dates of respective transactions. Monetary items denominated in

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foreign currencies (such as cash, receivables, payables etc.) at the year-end end of reporting period are re-measured at the exchange rate prevailing on that the balance sheet date. Non-monetary foreign currency items are carried at cost. Non-monetary items denominated in foreign currency, (such as PPE, intangible assets, equity investments, capital/ revenue advances other than expected to be settled in cash etc.) are recorded at the exchange rate prevailing on the date of the transaction. Any gains or losses income or expense on account of exchange differences either at the time of translation or settlement on settlement or on restatement is are recognised in the statement of Profit and Loss.

3.13 Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

3.14 Provisions , Contingent Liabilities and Contingent assets

Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions (excluding retirement benefits and compensated leave) are not discounted to its present value and are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. These are reviewed at each reporting date adjusted to reflect the current best estimates.

Provision towards guarantee claims in respect of ships/ small crafts delivered wherever provided/ maintained is based on technical estimation. For the ships delivered, guarantee claims are covered by way of insurance policies covering the guarantee period on case to case basis, wherever required.

Contingent Liabilities and Contingent Assets

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Group. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, the Group treats them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although

there can be no assurance regarding the final outcome of the legal proceedings, Group does not expect them to have a materially adverse impact on our financial position or profitability. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Group does not recognize a contingent asset but discloses its existence in the financial statements where an inflow of economic benefits is probable.

3.15 Revenue Recognition

a) Revenue from Operations

Revenue from contracts with customers is measured based on transaction price, which is the fair value of consideration received or receivable. Revenue is recognized when the Company satisfies performance obligations by transferring promised goods and services to the customer over a period of time using output method based on measurement of physical performance completed to date in respect of contracts with customers for ship building and ship repair other than Indigenous Aircraft Carrier (IAC).

In case of subsidiaries, revenue is recognised on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation (i.e. resources consumed, labour hours expended, costs incurred, time elapsed or machine hours used) relative to the total expected inputs to the satisfaction of that performance obligation.

Recognition of Revenue for a performance obligation satisfied over time, is made only if the Group can reasonably measure its progress towards complete satisfaction of the performance obligation.

Based on the technical assessment considering the latest available information to the Group, measuring the progress towards complete satisfaction of a performance obligation in the method adopted will be revised/updated on an ongoing basis.

During the initial stages of a contract, where the Group may not be able to reasonably measure the outcome of a performance obligation and the Group expects to recover the costs incurred in satisfying the performance obligation, revenue will be recognised only to the extent of the costs incurred until such time

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that it can reasonably measure the outcome of the performance obligation.

In respect of contract with Indian Navy for construction of Indigenous Aircraft Carrier, which is partly 'fixed price basis' and partly 'cost plus basis', the revenue from fixed price portion is recognized as explained above. The revenue by way of mark up from cost plus part of the contract for procuring and supply of materials and design outsourcing is recognized when performance obligations as per the terms of the contract are fulfilled upon making payments to the suppliers. The cost of materials, value of design outsourcing and other expenses incurred for the vessel which are recoverable separately from Navy are charged off to the statement of Profit and Loss when materials are consumed/ activities are performed/expenses are incurred and are simultaneously grossed up with the value of work done and recognized as income.

Other Operating Revenue is recognized at the point of time when the Group satisfies performance obligations by transferring promised goods and services to the customer. Management fee is also recognised over a period of time.

Contract modifications are accounted when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the stand alone selling price. Where the goods or services added are not distinct, adjustment to revenue is made on a cumulative catch up basis. Where the goods or services added are distinct, and such additional goods or services are priced at standalone selling prices, the contract modification is accounted for as a separate contract; whereas if the modification is not priced at standalone selling price, the same is accounted as a termination of the existing contract and creation of a new contract.

If the consideration promised in a contract includes variable amounts like discounts, rebates, refunds, credits, price concessions, liquidated damages or other similar items, the Group estimates the net amount of consideration to which the Group is entitled in exchange for transferring the promised goods or services to a customer and accounts for the same. The payment terms are based on milestones specified in the respective contracts with customers. On achieving the specified milestones these payments are released.

b) Government Grants

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses, the related costs for which the grants are intended to compensate. Where the Grant relates to an asset value, it is recognised as deferred income, and amortised over the expected useful life of the asset. Other grants are recognised in the statement of Profit & Loss concurrent to the expenses to which such grants relate/ are intended to cover.

Ship Building Financial Assistance (SBFA) is recognised over a period of time in proportion to the expenses / cost incurred and classified under "other operating revenue".

c) Other income

i) Liquidated damages and interest on advances

No income is recognized on (a) interest on advances given and (b) liquidated damages, where the levies depend on decisions regarding force majeure condition of contract. These are accounted for on completion of contracts and / or when final decisions are taken.

In the case of contracts entered into for execution of capital works having long gestation period, where the extant commercial terms of the contract provides for provision of extending interest bearing mobilisation advance to the service provider for mobilising various resources for timely execution, mobilisation advances are paid and interest is accounted on accrual basis.

ii) Accounting for insurance claims

(i) Warranty/Builder Risk claims

In the case of guarantee defects covered under warranty insurance policies or claims under Insurance Policies taken for ship building and ship repair works, the insurance claims lodged are recognized in the financial statements in the year in which the survey

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

is completed and the probable amount of settlement intimated by the insurance Group.

(ii) Other Insurance Policies

In the case of other Insurance Policies like Asset Insurance, Transit Insurance, Marine Insurance, Cash Insurance etc., the claims are recognized in the the financial statments on settlement of the claims by way of receipt of the amount from the Insurance Group.

In the case of Medical insurance, claims are recognized on due basis, based on the claims submitted with the insurance Group.

iii) Interest income

Interest income is recognized using the effective interest rate (EIR). Interest income is included in "Other Income" in the Statement of Profit and Loss and is accounted on an accrual basis on time proportion to the certainty of receipt.

iv) Others

Dividend income is recognized when the Group's right to receive payment has been established.

Charter hire charges income is accounted on time period basis.

3.16 Employee benefits

Employee benefits consist of salaries and wages, contribution to provident fund, superannuation fund, gratuity fund, towards medical assistance, which are short term in nature and contribution towards compensated absences, which is long term in nature.

Post-employment benefit plans

Defined Contribution plans

In respect of Holding Company, defined contribution to Employees Pension scheme for eligible employees are made to CSL Superannuation Pension Trust for Executives and Supervisors and CSL Workmen Pension Trust and are charged as expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made.

The Holding Company makes contributions to the Cochin Shipyard Employees Mutual Public Welfare Trust and Employees Medical Assistance Trusts, which are charged as expense, as and when they fall due. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made.

In respect of subsidiaries, contributions to Provident Fund are made to the Regional Provident Fund Commissioner and are charged to the Profit and Loss account. The companies have no further obligations for future Provident Fund benefits other than its monthly contributions.

Defined benefit plans

Gratuity

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The liability or asset recognised in the balance sheet in respect of its defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated periodically by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have terms approximating the terms of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability or asset is recognised in the Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of profit and loss as past service cost.

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to the Consolidated Financial Statements for the year ended March 31, 2023

Provident Fund and Pension Scheme

The Group also makes contribution towards provident fund. The provident fund is administered by the Trustees of the Cochin Shipyard Limited Employees Contributory Provident Fund Trust. The rules of the Group's provident fund administered by the Trust, require that if the Board of Trustees are unable to pay interest at the rate declared by the Government under para 60 of the Employees' Provident Fund Scheme, 1952, then the deficiency shall be made good by the Group. The deficiency, if any assessed by the Group based on actuarial valuation will be provided for in the accounts.

Other employee benefits

Compensated absences

The Group has a policy on compensated absence which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absence is determined by Actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absence is recognised in the period in which the absences occur.

3.17 Borrowing cost

General and specific borrowing costs directly attributable to acquisition/ construction or production of qualifying assets (net of income earned on temporary deployment of funds) are capitalized as part of cost of such assets upto the date when such assets are ready for the intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended when active development activity on the qualifying assets is interrupted other than on temporary basis and charged to the Statement of Profit and Loss during such extended periods. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.18 Corporate Social Responsibility

The Corporate Social responsibility (CSR) expenditure is charged to the Statement of Profit & Loss in the period in which it is incurred, except to the extent the Group decides to carry forward any amount in excess of the minimum

required CSR expenditure for adjustment in future years in terms of Sec 135(5) of the Companies Act 2013 read with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and classified under "Other Current Assets" in the financial statements.

3.19 Prior period adjustment

Prior period adjustments due to errors, having material impact on the financial affairs of the Group, are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

3.20 Taxes on Income

Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal

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to the Consolidated Financial Statements for the year ended March 31, 2023

of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

3.21 Earnings Per Share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. The Group did not have any potentially dilutive securities in any of the years presented.

3.22 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's chief operating decision maker is the Chairman & Managing Director.

The Group has identified business segments (industry practice) as reportable segments. The business segments comprise: 1) Ship Building and 2) Repair of Ships/offshore structures.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the

segment. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

3.23 Consolidated Statement of cash flows

Statement of Cash Flows are reported prepared and presented 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. The cash flows from operating, investing and financial activities of the Group are segregated based on the available information.

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

3.24 Dividend to equity shareholders

Dividend to equity shareholders is recognised as a liability and deducted from shareholders' equity, in the period in which the dividends are approved by the equity shareholders in the general meeting. In the case of interim dividends, recognition is done in the period in which the same is recommended and approved by Board of the Group.

3.25 Recognition of Excluded Financial Assets

Pursuant to resolution plan and NCLT Order dated 4th March 2020, the following assets/matters of Erstwhile Tebmashipyards mentioned below are identified as excluded financial asset based on information provided by the COC or Resolution Professional.

- 1) VAT refund;
- 2) Insurance claim for damages to Tug lodged with an insurance company;
- 3) Insurance claim for theft and burglary with an insurance company;
- 4) Trade receivables from Indian Navy; and
- 5) 50% (fifty percent) of the amount of subsidy claim (ie., Shipbuilding Finance Assistance/subsidy) from Government of India.

These items will be accounted on realization basis.

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to the Consolidated Financial Statements for the year ended March 31, 2023

3.26 Exceptional Items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and disclosed as such in the financial statements.

3.27 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below.

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group will evaluate the same to give effect to them as required by the standard.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors:- This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from change in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group will evaluate the same to give effect to them as required by the standard.

Ind AS 12 - Income Taxes :- This amendment has narrowed the scope of the initial recognition of exemptions so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group will evaluate the same to give effect to them as required by the standard.

Note 3 : Property, Plant and Equipment

Particulars	Gross carrying amount			Depreciation		Net Carrying amount	
	As at 1st April 2022	As at Additions/ Disposal/ adjustments during the year	As at 31st Mar 2023	As at 1st April 2022	For the year (withdrawal)	As at 31st Mar 2023	As at 31st March 2022
a) Owned Assets							
Land (Freehold)	3,267.86	-	3,267.86	-	-	3,267.86	3,267.86
Buildings and Roads	19,498.19	505.42	20,003.61	3,958.44	1,026.23	15,018.94	15,539.75
Plant and equipment	28,746.70	1,895.98	30,419.67	12,251.44	2,640.15	14,704.05	16,495.26
Furniture and fixtures	1,529.05	248.40	1,777.45	726.59	137.86	864.45	802.46
Vehicles	675.02	2.94	677.87	370.03	60.23	430.23	304.99
Office equipment	565.19	92.11	657.30	295.89	72.57	288.84	269.30
Others	-	-	-	-	-	-	-
Data Processing Equipments	2,446.19	338.43	2,773.54	1,385.95	340.67	1,720.06	1,060.24
Docks and quays	4,466.45	12.43	4,478.88	2,141.37	299.82	2,441.19	2,325.08
Railway sidings	1.10	-	1.10	-	-	-	1.10
Electrical installation	2,661.18	189.52	2,846.89	1,103.18	152.46	1,252.52	1,558.00
Drainage and water supply	6.67	16.88	23.55	-	0.98	0.98	6.67
Vessels	19.74	2.14	21.88	8.44	1.36	12.08	11.30
Sub Total	63,883.34	3,304.25	66,949.60	22,241.33	4,732.33	26,776.41	41,642.01
b) Assets on leased premises							
Buildings	13,328.34	186.40	13,514.74	1,676.38	402.54	2,078.92	11,651.96
Plant and equipment	871.87	65.86	937.73	154.15	55.12	209.27	717.72
Docks and quays	9.62	-	9.62	8.35	-	8.35	1.27
Electrical installation	501.32	35.03	536.35	212.46	48.83	261.29	288.86
Slip way	1,117.99	-	1,117.99	681.05	169.69	850.74	436.94
Sub Total	15,829.14	287.29	16,116.43	2,732.39	676.18	3,408.57	13,096.75
Total (a)+ (b)	79,712.48	3,591.54	83,066.03	24,973.72	5,408.51	30,184.98	54,738.76
c) Right Of Use Assets							
Right of Use - Land	39,874.95	1,331.96	41,111.01	4,142.95	1,390.64	5,463.55	35,732.00
Right of Use - Buildings	173.07	-	173.07	100.20	18.14	118.34	72.87
Right to use - land and ship repair facility	7,000.00	-	7,000.00	1,583.67	210.32	1,793.99	5,416.33
Leased Land at Nazirgunge (5.31 Acres)-Right to use	118.94	-	118.94	6.18	1.94	8.12	112.76
Leased Land at Nazirgunge (10.45 Acres)-Right to use	234.07	-	234.07	10.91	3.86	14.77	223.16
Leased Land at Salkia (9.91 Acres)-Right to use	221.99	-	221.99	7.85	3.69	11.54	214.14
Right to use - land (Malbe)	16.68	16.68	-	12.53	1.73	14.26	4.15
Sub Total	47,639.70	1,331.96	48,859.08	5,864.29	1,630.32	7,410.31	41,775.41
Total(a+b+c)	1,27,352.18	4,923.50	1,31,925.11	30,838.01	7,038.84	37,595.29	96,514.17

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Particulars	Gross carrying amount				Depreciation For the year	Net Carrying amount	
	As at 1st April 2021	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st Mar 2022		As at 31st Mar 2022	As at 31st March 2021
a) Owned Assets							
Land (Freehold)	3,195.41	72.45		3,267.86	-	3,267.86	3,195.41
Buildings and Roads	18,666.28	840.01	8.10	19,498.19	777.20	15,539.75	15,477.03
Plant and equipment	24,737.37	4,780.63	771.30	28,746.70	2,575.57	16,495.26	14,725.47
Furniture and fixtures	1,402.83	136.53	10.31	1,529.05	125.12	802.46	794.11
Vehicles	620.07	54.95		675.02	57.22	304.99	307.26
Office equipment	495.10	89.99	19.90	565.19	69.28	269.30	257.92
Others				-	10.57	-	-
Data Processing Equipments	1,845.10	627.78	26.69	2,446.19	314.89	1,060.24	757.16
Docks and quays	4,466.45			4,466.45	299.41	2,325.08	2,624.49
Railway sidings	1.10			1.10	-	1.10	1.10
Electrical installation	1,831.03	830.68	0.53	2,661.18	121.01	1,558.00	848.86
Drainage and water supply	6.67			6.67	-	6.67	6.67
Vessels	19.74			19.74	1.36	11.30	12.66
Sub Total	57,287.15	7,433.02	836.83	63,883.34	4,341.06	41,642.01	39,008.14
b) Assets on leased premises							
Buildings	4,023.75	9,325.35	20.76	13,328.34	391.17	11,651.96	2,732.67
Plant and equipment	654.65	217.22		871.87	44.78	717.72	545.28
Docks and quays	9.62			9.62	8.35	1.27	1.27
Electrical installation	400.26	101.06		501.32	42.82	288.86	230.62
Slip way	1,108.00	9.99		1,117.99	227.65	436.94	654.60
Sub Total	6,196.28	9,653.62	20.76	15,829.14	706.42	13,096.75	4,164.44
c) Right Of Use Assets							
Right of Use - Land	39,874.95			39,874.95	1,390.83	35,732.00	37,122.83
Right of Use - Buildings	173.07			173.07	29.55	72.87	102.42
Right to use - land and ship repair facility	7,000.00			7,000.00	210.34	5,416.33	5,626.67
Leased Land at Nazirgunge (5.31 Acres)-Right to use	118.94			118.94	1.98	112.76	114.74
Leased Land at Nazirgunge (10.45 Acres)-Right to use	234.07			234.07	3.97	223.16	227.13
Leased Land at Salkia (9.91 Acres)-Right to use	221.99			221.99	3.76	214.14	217.90
Right to use - land (Malpe)	16.68			16.68	4.81	4.15	8.96
Sub Total	47,639.70	-	-	47,639.70	1,645.24	41,775.41	43,420.65
Total(a+b+c)	1,11,123.13	17,086.64	857.59	1,27,352.18	6,692.72	96,514.17	86,593.23

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Freehold Land includes the value of (a) land allotted on lease basis to (i) Bharatiya Vidya Bhavan (0.69045 hectare) (ii) M/s Indian Oil Corporation Ltd (0.620 hectare) for laying pipeline (iii) land leased to M/s Cochin Air Products (0.30 hectare) and (b) land leased to Kerala State Electricity Board (0.47 hectare).

Value of land includes value of buildings acquired along with the land for which depreciation has not been provided as the value is not separately available and most of these buildings are likely to be demolished for putting up facilities for the factory.

Freehold land includes landed properties of the Company admeasuring 197.12 ares (487.00 cents) made up of 34.30 ares in Sy No. 713/11, 23.57 ares in Sy No. 713/12, 59.12 ares in Sy No. 713/13, 50.18 ares in Sy No. 714/06, 10.12 ares in Sy No. 714/2, 8.90 ares in Sy No. 714/4 and 10.93 ares in Sy No. 714/5 of land all are lying contiguously in Elamkulam village, Kanayannur taluk, Ernakulam Dist, Kerala provided as security for issue of Tax free bonds.

The company has bearer plants in its premises and other sites which generates nominal income. Cost of such bearer plants cannot be reliably measured and hence these plants were not capitalized.

Title deeds of all immovable properties are held in the name of the Company. In the case of following properties where the Company is the lessee, lease agreements are duly executed in favour of the lessee with the following exceptions:

- * CSL has taken 8.12 Ha of land and 15 HA of water body on lease from COPT on 12 April 2013. A lease agreement was entered with COPT in this connection however the same has not yet been registered .
- * CSL has also taken 8.134 HA of additional land area on lease from COPT on 16 Nov 2017 - Lease deed is yet to be executed and registered.

The company has executed concessionaire agreements with the Mumbai Port Trust and Kolkata port Trust to Upgrade, Operate and Manage Ship Repair facility at Hughes Dry Dock and specified berths at Indira Dock of MbPT and two dry docks and Berth No.6 of Netaji Subash Dock of KoPT respectively.

The project site at MbPT is taken on license for 29 years. The license agreement is yet to be registered, as a request submitted for waiver of the stamp duty to the Government of Maharashtra is under consideration.

The project site at Syama Prasad Mukherjee Port is taken on license for 30 years . As license agreement does not attract stamp duty and registration charges in West Bengal , Concession Agreement with KoPT has not been registered .

The Right to use of land and ship repair facility represents the upfront fee paid to Cochin Port Trust towards setting up of International Ship Repair Facility (ISRF) project, to be amortised over the period of lease which was further extended based on the date of obtaining of Environmental Clearance. As all environmental clearances for ISRF are obtained as on January 09, 2018, the lease period of 30 years effectively starts from this date.

UCSL and Karnataka Maritime Board have signed the Lease Agreement for the Leasehold land at Malpe & Hangarkatta on 23.12.2022, for a period of 30 years w.e.f 04.3.2020, i.e; the date of NCLT order approving the take over of M/s Udupi Cochin Shipyard Limited (Erstwhile M/s TEBMA Shipyards Ltd) by M/s Cochin Shipyard Ltd. Modification to lease agreement has necessitated the reassessment of ROU assets and lease liabilities as per IND AS 116 and also the extension of useful life of assets located on lease hold land. Towards this, company made a total payment of ₹ 325.50 lakhs to Karnataka Maritime board (KMB) during FY 2022-23 which consists of payment towards security deposit, lease dues, penalty and interests to the KMB against the dues. Resulting changes has been incorporated in FY 2022-23 figures.

The value of Land at Kulpi (Kolkata- 230 cents) have not been recognized in accounts due to pending verification of geographical area & valuation of the same.

Land belonging to the M/s Udupi Cochin Shipyard Limited continue to be in the name of erstwhile "Tebma Shipyards Ltd" and/or "Tebma Engineering Pvt Ltd" in the land records. Company has already initiated action to change the title deed in the name of "Udupi Cochin Shipyard Limited.

Assets which cannot be detached and transported for alternate use ("Non Removable Assets") constructed on leasehold land at Malpe yard are amortized/ depreciated over the lower of the period of lease and useful life of those assets.

The Right to use of land at Malpe represents the upfront fee paid to Port Officer Kundapura towards using Malpe leasehold land, which is amortised over the lease period.

M/s Udupi Cochin Shipyard Limited had elected to consider the fair value of the assets as on the transition date as the deemed cost of assets at the time of transition.

Notes

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Note 4 : Capital work -in -progress

(₹ in lakhs)

Particulars	As at Mar 31,2023	As at Mar 31,2022
Plant and machinery, Buildings and Civil works	1,34,792.90	1,10,446.61
Add: Expenditure during construction	9,570.95	1,006.79
Capital yard items	15,354.87	11,431.96
Goods in Transit	7.30	-
Project Management fees and miscellaneous capital expenditure	523.71	1,249.30
Total	1,60,249.73	1,24,134.66

Expenditure during construction

(₹ in lakhs)

Particulars	As at Mar 31,2023	As at Mar 31,2022
Opening Balance	1,006.79	757.66
Add:Expenses during the year		
Salaries	275.95	249.13
Depreciation under Ind AS116	513.64	-
Finance cost under Ind AS116	1,593.22	-
Exceptional items	6,181.35	-
Closing Balance	9,570.95	1,006.79

CWIP Ageing schedule as on 31.03.2023

(₹ in lakhs)

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	41,592.43	17,749.39	42,957.11	57,950.80	1,60,249.73
Projects temporarily suspended	-	-	-	-	-

CWIP Ageing schedule as on 31.03.2022

(₹ in lakhs)

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	22,282.25	43,813.12	32,739.19	25,300.10	1,24,134.66
Projects temporarily suspended	-	-	-	-	-

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Overdue CWIP as on 31.03.2023

(₹ in lakhs)

Capital Work in Progress	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
International Ship Repair Facility	-	70,447.15	-	-
Dry Dock	84,852.92	-	-	-
CKSRU Caisson Gate	694.78	-	-	-
Integrated security system	354.17	-	-	-
CMSRU Caisson gate	1,359.38	-	-	-

Overdue CWIP as on 31.03.2022

(₹ in lakhs)

Capital Work in Progress	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
International Ship Repair Facility	-	56,136.01	-	-
Dry Dock	65,082.67	-	-	-
IT Security and Monitoring system	167.67	-	-	-
Dock Monitoring system	32.17	-	-	-
CMSRU Caisson gate	565.90	-	-	-

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Note 5 : Intangible assets

Particulars	Gross carrying amount			Amortisation			Net Carrying amount		
	As at 1st April 2022	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st Mar 2023	As at 1st April 2022	For the year	Adjustment/ (withdrawal)	As at 31st Mar 2023	As at 31st March 2022
Internally generated weld procedure	27.67	-	-	27.67	27.67	-	-	27.67	-
Computer software	2,002.61	897.78	-	2,900.39	1,552.26	394.93	-	1,947.19	450.35
Tally Software	0.53	13.83	-	14.36	0.35	1.16	-	1.51	0.18
	2,030.81	911.61	-	2,942.42	1,580.28	396.09	-	1,976.37	450.53

Particulars	Gross carrying amount			Amortisation			Net Carrying amount		
	As at 1st April 2021	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st Mar 2022	As at 1st April 2021	For the year	Adjustment/ (withdrawal)	As at 31st Mar 2022	As at 31st March 2021
Internally generated weld procedure	27.67	-	-	27.67	27.67	-	-	27.67	-
Computer software	1,565.16	437.45	-	2,002.61	1,443.22	109.04	-	1,552.26	121.94
Tally Software	0.53	-	-	0.53	0.18	0.17	-	0.35	0.35
	1,593.36	437.45	-	2,030.81	1,471.07	109.21	-	1,580.28	122.29

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 6: Intangible assets under development

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Plant and machinery, Buildings and Civil works	1,602.37	2,303.95
Total	1,602.37	2,303.95

Intangible assets under development Ageing schedule as on 31.03.2023

Capital Work in Progress	(₹ in lakhs)			
	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	39.07	28.46	136.15	1,398.69
Projects temporarily suspended	-	-	-	-

Intangible assets under development Ageing schedule as on 31.03.2022

Capital Work in Progress	(₹ in lakhs)			
	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	769.12	136.15	1,398.68	0.00
Projects temporarily suspended	-	-	-	-

Overdue Intangible assets under development as on 31.03.2023

Capital Work in Progress	(₹ in lakhs)			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
3D Experience Ship building software	1541.73		-	-
REPOSITORY - CANSRU	60.64			

Overdue Intangible assets under development as on 31.03.2022

Capital Work in Progress	(₹ in lakhs)			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
3D Experience Ship building software	1625.24	-	-	-
IT Security and Monitoring system	650.25	-	-	-

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Note 7 : Investments-Non Current

(₹ in lakhs)

Particulars	Face value per unit	Number of units as on Mar 31, 2023	Number of units as on Mar 31, 2022	As at Mar 31, 2023	As at Mar 31, 2022
Investment in equity instruments					
a) At Fair Value Through Other Comprehensive Income					
Cochin Shipyard Employees Consumer Co-operative Society Limited 2175 'B Class' shares of ₹ 100 each	100	2,175	2,175	2.18	2.18
Kerala Enviro Infrastructure Limited - 70000 equity shares of face value of ₹10 each	10	70,000	70,000	9.14	7.00
Cochin Waste 2 Energy Private Limited -100000 equity shares of ₹10 each	10	1,00,000	1,00,000		
Total				11.32	9.18
Aggregate value of unquoted investment				11.32	9.18
Aggregate value of quoted investments and market value thereof				-	-
Aggregate value of unquoted investment				11.32	9.18
Aggregate amount of impairment in value of investments				-	-

Considering the indicators of the value of an investment such as investee's assets, results etc. a decline, other than temporary, in the value of investment in Cochin Waste to Energy (P) Ltd is noticed and accordingly fair value is considered as Nil. Similarly, increase in value of investment in Kerala Enviro Infrastructure Limited is noticed and accordingly investment is fair valued.

The Company's Investment in Cochin Shipyard Employees Consumer Co-operative Society Limited are non-participative shares and normally does not carry any voting rights. Hence, the company has carried this investment at its transaction value considering to be its fair value

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 8: Loans - Non Current

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Unsecured, considered good:		
(a) Other Loans		
Loan to employees		
Loans to related parties	0.00	0.00
Other employees	520.60	347.84
Total	520.60	347.84

No significant increase in credit risk or credit impairment

Note 9: Other Financial Assets - Non Current

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Security deposits	100.90	77.79
Accrued Lease Rental Asset	6.44	21.70
Total	107.34	99.49

Note 10: Income tax assets / liability (net)

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Non current tax assets		
Income Tax Assets net of provisions	3,007.47	3,439.92
Provision for tax		
Current tax assets / (liabilities)		
Advance income tax net of provisions	7,147.48	(2,566.09)

Income tax recognised in the Statement of profit and loss

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Current tax:		
Current income tax charge	11,597.42	20,431.12
Adjustment in respect of prior years	(1,289.25)	(743.88)
Total (A)	10,308.17	19,687.24
Deferred tax:		
In respect of current year	1,064.62	510.81
Total (B)	1,064.62	510.81
Income tax expense recognised in the Statement of Profit and Loss (A+B)	11,372.79	20,198.05

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

The income tax expense for the year can be reconciled to the accounting profit as follows:-

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Profit before tax	41,843.70	76,594.19
Income tax expense calculated at respective applicable rates	11,288.02	19,993.22
Effect of expenses that are not deductible in determining taxable profit	3,528.04	5,542.57
Effect of expenses that are allowable in determining taxable profit	(4,879.90)	(5,388.12)
Effect of expenses incurred on Corporate Social Responsibility not deductible in determining taxable profit	416.52	407.59
Others	1,244.74	(124.14)
	11,597.42	20,431.12
Adjustments recognised in the current year in relation to the current tax of prior years	(1,289.25)	(743.88)
Adjustments for changes in estimates of deferred tax assets	1,064.62	510.81
Income tax expense recognised in the Statement of Profit and Loss	11,372.79	20,198.05

Note 11: Deferred tax assets (net)

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Deferred tax liabilities	(3,099.13)	(3,174.38)
Deferred tax assets	13,548.64	14,688.51
Total	10,449.51	11,514.13

Deferred tax liabilities/(assets) in relation to 2022-23

(₹ in lakhs)

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in Statement of Equity	Closing Balance
Provisions	(7,601.16)	2,015.66		(5,585.50)
Property, plant and equipment	3,188.56	(437.79)		2,750.77
Intangible assets	(18.27)	50.94		32.67
Carry forward losses	(4,690.60)	(230.20)		(4,920.80)
Others	(2,392.66)	(333.99)		(2,726.65)
Total	(11,514.13)	1,064.62	-	(10,449.51)

Deferred tax liabilities/(assets) in relation to 2021-22

(₹ in lakhs)

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in Statement of Equity	Closing Balance
Provisions	(9,318.48)	1,717.32	-	(7,601.16)
Property, plant and equipment	3,509.71	(321.15)	-	3,188.56
Intangible assets	(17.86)	(0.41)	-	(18.27)
Carry forward losses	(4,492.42)	(198.18)	-	(4,690.60)
Others	(1,705.89)	(686.77)	-	(2,392.66)
Total	(12,024.94)	510.81	-	(11,514.13)

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 12: Other non-current assets

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Unsecured, considered good		
Capital advances	15,971.40	17,291.05
Advances other than capital advances:		
Security deposits	266.38	247.38
Advance lease rentals	36.43	37.09
Deposits with Customs department	261.22	261.22
Loose tools	649.03	627.07
Total	17,184.46	18,463.81

Deposit with Customs Department of ₹ 261.22 lakhs pertains to a refund appeal lying before Commissioner (Appeals) to cover a liability in respect of customs duty which is also shown as Payable to Chennai Port Trust under Note No. 25- Other Financial Liabilities- Non Current

Note 13 : Inventories

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Raw Materials and components	33,839.75	28,298.10
Work in Progress	496.05	352.31
Goods-in transit	1,557.05	533.53
	35,892.85	29,183.94
Stores & Spares	1,296.27	619.37
Goods-in transit	110.59	32.72
	1,406.86	652.09
Total	37,299.71	29,836.03

During current year ,Stores and spares are valued at weighted average cost method and Goods in transit at cost as against 'weighted average cost method or net realisable value whichever is lower' for stores and 'lower of cost and net realisable value' for Goods in transit which was followed in previous years.

Maintenance spares included in the inventory represent spares of general nature and are not related to a particular asset.

Note 14 : Trade Receivables

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Unsecured		
Considered good:		
Trade Receivables considered good - Unsecured	33,841.50	43,702.07
Trade Receivables which have significant increase in Credit Risk	11,030.93	10,439.67
Less: Allowance for Expected credit loss	(11,030.93)	(10,439.67)
Trade Receivables - Credit impaired	-	-
Less: Allowance for Expected credit loss	-	-
Total	33,841.50	43,702.07

Trade receivables are non-interest bearing and receivable in normal operating cycle.

Trade receivables include receivable accrued but not due (unbilled trade receivables) ₹ 2102.59 lakhs (previous year ₹ 4661.29 lakhs)

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Trade Receivables ageing schedule as on 31.03.2023

(₹ in lakhs)

Particulars	Accrued but not due (Unbilled trade receivables)	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2102.59	13777.34	12567.14	3707.94	1686.49	0.00	33841.50
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	189.72	292.00	1360.33	1842.05
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables – considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	98.04	121.95	8968.89	9188.88
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	2,102.59	13,777.34	12,567.14	3,995.70	2,100.44	10,329.23	44,872.43
Less: Expected Credit Loss provision as on 31.03.2023							11,030.93
Trade receivable as on 31.03.2023							33,841.50

Trade Receivables ageing schedule as on 31.03.2022

(₹ in lakhs)

Particulars	Accrued but not due (Unbilled trade receivables)	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,661.29	28,335.63	6,015.39	4,294.08	401.54	-	43,707.93
(ii) Undisputed Trade Receivables – which have significant increase in credit risk		-	-	226.00	70.28	1,117.23	1,413.51
(iii) Undisputed Trade Receivables – credit impaired		-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good		-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk		-	-	63.65	15.55	8,941.10	9,020.30
(vi) Disputed Trade Receivables – credit impaired		-	-	-	-	-	-
	4,661.29	28,335.63	6,015.39	4,583.73	487.37	10,058.33	54,141.74
Less: Expected Credit Loss provision as on 31.03.2022							10,439.67
Trade receivable as on 31.03.2022							43,702.07

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Movement in the expected credit loss allowance

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Opening balance	10,439.67	10,215.58
Add: Additions during the year	613.97	2,984.36
Less: Reversals/withdrawals during the year	22.71	2,760.27
Closing Balance	11,030.93	10,439.67

Note 15 : Cash and Cash equivalents

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Balance with Banks		
In current account	1,78,007.79	12,397.71
In current account out of IPO Proceeds	-	-
Term deposits with original maturity of less than three months	30,107.76	37,952.42
Total	2,08,115.55	50,350.13

Balance in current account includes ₹169785 lakhs received from Indian Navy for the construction of Next Generation Missile Vessels

Note 16 : Bank balances other than cash and cash equivalents

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Lien Marked Term deposits with original maturity of less than three months*	47,534.90	15,200.00
Lien Marked Term deposits with original maturity of more than three months*	36,786.69	59,797.71
Term Deposits with banks with original maturity more than 3 months and less than 12 months**	56,971.78	33,541.95
In current account on behalf of Indian Navy	72,602.94	91,155.67
Term Deposits with banks with original maturity more than 3 months and less than 12 months earmarked for objects of IPO	53,691.71	71,161.67
Earmarked balances (Unpaid Dividend account)	98.20	59.71
Total	2,67,686.22	2,70,916.71

*Lien Marked Term deposits represents deposits in which lien is marked in favour of Union Bank of India, State Bank of India & IDBI for maintaining cash margin towards the Non-Fund based credit facilities granted to the Company and ₹ 11.84 lakhs represents lien marked deposit in favour of Executive Engineer(M) Maritime Board, Gujarat towards submission of quotation for fabrication of patrolling boats.

**Deposits with banks with original maturity of more than 3 months, include ₹ 101.92 lakhs (previous year ₹ 97.45 lakhs) lien marked in favour of The Registrar of High Court of Kerala. Term Deposit with original maturity more than 3 months and less than 12 months includes term deposit of ₹ 0.89 lakhs with ICICI Bank for which deposit receipt is not available as it was placed by erstwhile M/s Tebma Shipyards Ltd.

Funds parked by Indian Navy for the construction of Indigenous Aircraft Carrier are held in a separate account.

Notes

 to the Consolidated Financial Statements for the year ended March 31, 2023

Note 17 : Loans - Current

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Unsecured, considered good		
Employee advances		
Loans to related parties	-	-
Other employees	99.50	68.56
Total	99.50	68.56

No significant increase in credit risk or credit impairment

Note 18 : Other Financial Assets - Current

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Interest accrued on fixed deposits	3,335.93	1,433.22
Interest accrued on Other deposits	0.94	-
Interest accrued on employee advances		
Related parties		
Other employees	68.73	39.23
Foreign Exchange Derivatives Assets	15.47	1.30
Total	3,421.07	1,473.75

Note 19 : Other Current Assets

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Unsecured advances		
Advances other than capital advances		
Advances to related party	0.39	0.36
Other advances	63,822.35	39,366.72
Advances considered doubtful	1,030.17	1,030.17
	64,852.91	40,397.25
Less: Provision for doubtful advances	1,030.17	1,030.17
	63,822.74	39,367.08
Others		
Contract Assets for IAC works	30,065.10	-
Contract Assets for other works	21,881.25	35,028.44
Obsolete stock	352.37	288.60
Less: Provision for obsolescence	(352.37)	(288.60)
Balance with Sales Tax department and CBEC	709.69	571.51
Miscellaneous deposits	62.04	85.12
Prepaid expenditure	1,089.09	651.12
Other receivables	31.95	54.32
Input Tax Credit on GST	34,783.32	1,09,553.19
Medical Insurance Premium	1,876.91	1,778.70
Miscellaneous current assets	1,729.84	644.53
Total	1,56,051.92	1,87,734.01

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 20 : Assets held for sale

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Asset held for Sale	-	13.59
Total	-	13.59

During Previous year , on physical verification of the assets of the company undertaken by management during Q4 2021-22, it was found that various assets of the company aggregating to ₹468.10 lakhs were in a dilapidated condition or has become obsolete due to shutdown of the operations of the yard and passage of time. As these assets are beyond economic repairs and occupying considerable space, it was proposed to dispose off these assets at the earliest, which was considered appropriate for optimum utilization of the available Yard space to ensure smooth business operations. These class of assets subject to disposal has been regrouped as Assets held for sale and has been retained in books at its net realizable value less cost to disposal. The difference between the WDV and the NRV of the assets has been charged to P&L as exceptional items. During the FY 22-23, these assets held for sale has been disposed for the sale consideration of ₹9.36 lakhs and loss on sale of assets amounting to ₹ 4.23 lakhs recognised in the profit and loss account

Note 21 : Equity Share Capital

Particulars	As at Mar 31, 2023		As at Mar 31, 2022	
	Number	₹ in lakhs	Number	₹ in lakhs
Authorised				
Equity shares of ₹10/- each	250000000	25,000.00	250000000	25,000.00
Issued, Subscribed and Fully paid up				
Equity shares of ₹10 each fully paid up	131540390	13,154.04	131540390	13,154.04
Total	131540390	13,154.04	131540390	13,154.04

21.1 Reconciliation of number of shares and amounts outstanding

Particulars	As at Mar 31, 2023		As at Mar 31, 2022	
	Number	₹ in lakhs	Number	₹ in lakhs
Equity Shares outstanding at the beginning of the year	131540390	13,154.04	131540390	13,154.04
Add : shares issued during the year	0	0.00	0	0.00
Less : Shares bought back during the year	0	0.00	0	0.00
Equity Shares outstanding at the end of the year	131540390	13154.04	131540390	13,154.04

Terms & Rights attached to Equity shares: The Company has only one class of equity shares having a face value of ₹10 per share which is fully paid up. Equity shareholders are eligible for one vote per share held, and are entitled to dividends as and when declared by the Company. Interim dividend is paid as and when declared by the Board. Final dividend proposed by the Board of Directors is subject to approval/regularisation by the share holders in the Annual General meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

21.2 Details of shareholders holding more than 5% shares in the company

Particulars	As at Mar 31, 2023		As at Mar 31, 2022	
	Number of Shares held	% of holding	Number of Shares held	% of holding
The President of India	95843464	72.86	95843464	72.86

21.3 Shares held by promoters at the end of the year

Promoter Name	Number of Shares held	% of holding	% Change during the year
The President of India	95843464	72.86	Nil

Note 22 : Other Equity

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Capital Reserves	7,024.25	7,024.25
Capital Redemption Reserve	12,353.76	12,353.76
Securities Premium	93,151.96	93,152.08
Debenture Redemption Reserve	1,668.44	1,668.44
General Reserve	6,322.75	6,322.75
Cash flow Hedge Reserve	(3,578.40)	0.97
Retained Earnings	3,12,667.84	3,05,641.89
Total	4,29,610.60	4,26,164.14

Movement of each item in Other Equity is detailed in Statement of Changes in Equity

Capital Reserve: Capital reserve includes ₹ 263.56 lakhs being restoration charges received from M/s Indian Oil Corporation Ltd for laying pipe line through the Company's land. It also includes gain on acquisition of subsidiaries.

Capital Redemption Reserve: Capital Redemption Reserve of ₹12353.76 includes ₹11914.20 lakhs being reserves created on redemption of preference shares and ₹439.56 lakhs being a sum equal to the nominal value of the shares bought back, which will be utilised for the purpose defined under the Companies Act 2013.

Securities Premium: Premium on tax free bonds is amortised on straight line basis over the period of bonds. The company had completed the Initial Public Offer (IPO) during 2017-18 and had allotted 22656000 equity shares of ₹10 each at premium (₹93929.76 lakhs). Expenses incurred net of deferred tax adjustment towards such allotment of shares amounting ₹777.93 lakhs has been debited in Securities Premium in accordance with the requirements of Indian Accounting Standard (Ind AS) 32- Financial Instruments.

Debenture Redemption Reserve: The Company was hitherto creating Debenture Redemption Reserve at 25% of the value of bonds issued by the company over the maturity period of such debentures in accordance with Section 71(4) of the Companies Act, 2013 read with Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014 and as per SEBI (Issue and Listing of Debt Securities) Regulations, 2008. As per the amendment made to the Companies (Share Capital and Debentures) Rules, 2014 notified vide Notification No. G.S.R. 574(E) by the Ministry of Corporate Affairs, the company is not required to create Debenture Redemption Reserves in respect of the bonds issued by it. However, the Debenture Redemption Reserve already created up to 30.09.2019, ₹1668.44 lakhs, shall be retained in the books till the time of redemption of the bonds.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

General Reserve: General reserve is primarily created to comply with the requirements of section 123(1) of the Companies Act, 2013. This is a free reserve and can be utilised for any general purpose like issue of bonus shares, payment of dividend, buy back of shares etc. The Company created a General reserve in earlier years pursuant to the provisions of the Companies Act, 1956 where in certain percentage of profits were required to be transferred to General reserve before declaring dividends. As per the Companies Act 2013, the requirements to transfer profits to General reserve is not mandatory.

Cash flow Hedge Reserve: Cash flow hedge reserve represents the effective portion of change in the fair value of designated hedging instruments recognised in the Other Comprehensive Income. (Refer Note No. 48)

Interim dividend: During the year, the Company paid interim dividends of ₹7 per equity share of face value of ₹10 and ₹7 per equity share of face value of ₹10, as recommended at the board meetings held on Nov 10, 2022 and Feb 10, 2023 respectively.

Proposed dividend: The Board of Directors of the Company have recommended a final dividend of ₹3.00 per equity share of face value of ₹10 for the financial year ended March 31, 2023 at the Board meeting held on May 19, 2023. This is subject to approval/regularisation by the share holders in the Annual General meeting.

Note 23 : Borrowings

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Bonds - (Secured)		
At amortised cost		
Tax Free Redeemable Non Convertible Bonds -Series 2013-14	2,302.20	12,581.98
Total	2,302.20	12,581.98

Tax Free Infrastructure Bond Series 2013-14

- a) **Tranche 1:** 1000 bonds of face value of ₹10 lakhs totalling ₹10000 lakhs with interest rate of 8.51% payable annually , redeemable at par, due for redemption on 02nd December 2023.
- b) **Tranche 2:** 230 bonds of face value of ₹10 lakhs totalling ₹2300 lakhs with interest rate of 8.72% payable annually, redeemable at par, due for redemption on 28th March 2029.

These bonds are secured against the landed properties of the Company admeasuring 197.12 ares (487.00 cents) made up of 34.30 ares in Sy No. 713/11, 23.57 ares in Sy No. 713/12, 59.12 ares in Sy No. 713/13, 50.18 ares in Sy No. 714/06, 10.12 ares in Sy No. 714/2, 8.90 ares in Sy No. 714/4 and 10.93 ares in Sy No. 714/5 of land all are lying contiguously in Elamkulam village, Kanayannur taluk, Ernakulam Dist, Kerala.

Utilisation: Out of the issue proceeds of ₹12300 lakhs received, the Company has fully utilised/adjusted funds towards various expenditure incurred on International Ship Repair Facility (ISRF) project.

Difference between carrying amounts and fair values of financial liabilities of borrowings is not significant in each of the year presented

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Note 24: Lease Liabilities-Non current

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Lease Liabilities under Ind AS 116	40,446.48	39,363.70
Total	40,446.48	39,363.70

Note 25: Other Financial liabilities - Non Current

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Payable to Chennai Port Trust	261.22	261.22
Total	261.22	261.22

Liability of ₹261.22 lakhs to Chennai Port Trust in respect of customs duty is covered by a refund appeal lying before Commissioner (Appeals) which is also shown as deposits with Customs department under Note No. 12

Note 26: Provisions - Non Current

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Provision for employee benefits - Compensated absences (Refer Note No 39)	3,927.93	3,568.12
Provision for employee benefits - Gratuity	36.65	-
Total	3,964.58	3,568.12

Note 27: Other non current liabilities

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Deferred Income arising from Government Assistance	248.98	9.16
Total	248.98	9.16

Note 28: Borrowings

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Tax Free Redeemable Non Convertible Bonds -Series 2013-14	10,279.78	-
Loans repayable on demand from banks	705.00	-
Total	10,984.78	0.00

Referring to Note 23: Tranche 1: 1000 bonds of face value of ₹10 lakhs totalling ₹10000 lakhs with interest rate of 8.51% payable annually, redeemable at par, due for redemption on 02nd December 2023

Company has availed Cash Credit facility (Sanction limit of ₹3500 lakhs) from Union Bank of India at the interest rate of 9.4% / annum. Credit facility is secured by hypothecation of current assets including inventory and receivables of the Company. Terms of Repayment: Running account repayable on demand subject to annual review/ renewal.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 29: Lease liabilities

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Lease Liabilities under Ind AS 116	4,999.40	3,432.87
Total	4,999.40	3,432.87

Note 30 : Trade Payables

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Trade payables (Unsecured)		
Outstanding dues of Micro enterprises and Small enterprises	5,716.84	1,074.47
Outstanding dues of creditors other than Micro enterprises and Small enterprises	15,931.10	15,790.49
Total	21,647.94	16,864.96

To the extent, the Company has received intimation from the vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details of trade payables are provided as under:

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Amount remaining unpaid to supplier at the end of each accounting year;		
Principal	5,716.84	1,074.47
Interest on above Principal	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small, and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to supplier beyond the appointed day during each accounting year;		
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small, and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small, and Medium Enterprises Development Act, 2006;	-	-

Notes

 to the Consolidated Financial Statements for the year ended March 31, 2023

Trade Payables ageing schedule as on 31.03.2023

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME					
Not due	5716.84	0.00	0.00	0.00	5716.84
Due	0.00	0.00	0.00	0.00	0.00
(ii) Others	0.00	0.00	0.00	0.00	0.00
Not due	11725.20	0.54	0.00	0.00	11725.74
Due	4184.22	7.34	0.00	13.80	4205.36
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues – Others	0.00	0.00	0.00	0.00	0.00
Total	21,626.26	7.88	-	13.80	21,647.94

Trade Payables ageing schedule as on 31.03.2022

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME					
Not due	1,074.47				1,074.47
Due					
(ii) Others					
Not due	12,907.18				12,907.18
Due	2,778.84	26.50	50.44	27.53	2,883.31
(iii) Disputed dues – MSME					
(iv) Disputed dues – Others					
Total	16,760.49	26.50	50.44	27.53	16,864.96

Note 31 : Other Financial Liabilities - Current

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Dividend on preference shares	96.01	
Unpaid Dividend	93.22	59.71
Foreign Exchange Derivatives Liabilities	4,797.38	-
Others		
Security and other deposits	2,147.84	8,144.28
Others Payables	12,210.01	10,470.42
Total	19,344.46	18,674.41

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 32 : Other Current Liabilities

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Contract Liability for Indigenous Aircraft Carrier works (Net)	0.00	48,950.10
IAC Trade payables	17,573.11	20,748.20
Contract Liability for other works	3,87,207.41	1,77,104.52
Advances for ship building , ship repair and other contracts	8,312.12	4,405.16
Income received in advance	29.08	27.76
Statutory dues	1,984.04	4,892.54
Deferred Income arising from Government Assistance	1.14	1.14
Total	4,15,106.90	2,56,129.42

IAC Trade Payables include ₹ 1,774.84 lakhs payable to MSME vendors which are not due as on 31 March 2023.

The company has incurred ₹ 37,377.15 lakhs till 31 March 2023 (₹ 34,808.21 lakhs till 31st March 2022) towards augmentation of infrastructure facility out of funds received from Indian Navy. The ownership of the assets created out of the said funds vests with Indian Navy.

Stock of raw materials and bought out components procured under “Cost Plus” part of the IAC contract amounting to ₹ 6966.24 lakhs (previous year ₹ 8977.28 lakhs) held on behalf of Indian Navy lying with the Company is adjusted against Advances from Indian Navy for Indigenous Aircraft Carrier.

“During the Financial Year 2022-23, the Company has handed over the Indigenous Aircraft Carrier (IAC P-71) to Indian Navy in accordance with the contract for the construction of IAC P-71. The Company has raised Invoice for ₹ 1915000 lakhs on achievement of the delivery milestone of the contract. The balance scope of work will be completed subsequently within 2 years as per the construction contract.

CSL has recognised revenue to the extent of ₹ 1740844.14 lakhs as on 31.03.2023 against the IAC project P-71 and the balance revenue would be recognised as and when the performance obligations are achieved in accordance with the construction contract of IAC P-71. The details of revenue recognised so far on the project are as follows:

Particulars	(₹ in lakhs)
Revenue Recognised as on 31.03.2022	1598425.48
Revenue recognised during the year 2022-23	142418.66
Total revenue recognised on IAC P-71 as on 31.03.2023	1740844.14

Notes

 to the Consolidated Financial Statements for the year ended March 31, 2023

Note 33 : Provisions - Current

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Provision for Employee benefits		
Gratuity	716.61	546.85
Compensated absences (Refer Note No 39)	275.69	419.76
Others	-	-
	992.30	966.61
Other Provisions		
For Taxes and duties	2,668.99	2,665.50
For Shipbuilding loss	5,465.00	7,573.00
For Expenditure / contingencies	30,893.75	37,397.31
	39,027.74	47,635.81
Total	40,020.04	48,602.42

33.1 Details of movement of provisions

(₹ in lakhs)

Particulars	As at 01.04.2022	Provision made during the period	Amounts used during the period	Unused amounts reversed during the period	As at 31.03.2023
Provision for employee benefits- Gratuity	546.85	449.55	279.79	-	716.61
Compensated absences	419.76	0.19	-	144.26	275.69
Provision for taxes and duties	2,665.50	3.49	-	-	2,668.99
Provision for shipbuilding loss	7,573.00	-	-	2,108.00	5,465.00
Provision for expenditure / contingencies	37,397.31	39,614.33	43,937.16	2,180.73	30,893.75

(₹ in lakhs)

Particulars	As at 01.04.2021	Provision made during the period	Amounts used during the period	Unused amounts reversed during the period	As at 31.03.2022
Provision for employee benefits- Gratuity	272.09	396.15		121.39	546.85
Compensated absences	515.45	435.21		530.90	419.76
Provision for taxes and duties	2,662.17	3.33			2,665.50
Provision for shipbuilding loss	11,658.00			4,085.00	7,573.00
Provision for expenditure / contingencies	38,218.57	37,300.94	34,375.35	3,746.85	37,397.31

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 34 : Revenue from operations

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Sale of products		
Ship building:		
Indigenous Aircraft Carrier (IAC)	1,42,418.66	1,79,266.04
Vessels other than IAC	34,373.45	67,674.19
Engineering works	0.00	
	1,76,792.11	2,46,940.23
Sale of services		
Ship repairs	54,512.00	65,794.50
Engineering works	-	-
Income from services	576.35	-
	54,331.00	65,794.50
Other operating revenue		
Sale of stock items	63.23	
Ship Building Financial Assistance	1,424.67	3,486.17
Sale of scrap	1,549.62	1,373.80
Management fee	1,537.50	1,500.00
	4,575.02	6,359.97
Total	2,36,455.48	3,19,094.70

- 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. Output method faithfully depicts the Company's performance towards complete satisfaction of the performance obligation and gives clear picture of Company's efforts and hence the same is being adopted to depict the performance completed to date.
- Refer Note No 46 on Ind AS 115 "Revenue from Contract with Customers "
- Out of the Revenue from Operations, ₹ 6905.65 lakhs (₹ 9503.19 lakhs in previous year) pertain to revenue from export orders.
- The Company has considered the lock down period due to COVID 19 & Gov circular dated May 13, 2020, which ever is applicable to the projects and Kerala Flood natural calamity 2018 as Force Majeure period for computation of Liquidated Damages while calculating Revenue from operations.
- With regard to the Shipbuilding contract with Andaman & Nicobar ('A&N') Administration for construction of 2 Nos 1200 Passenger Vessels, the contractual delivery dates (as extended) for SH.0023 is already expired and other vessel SH.0024 is nearing expiry. The Company has provided for LD for the delay upto 29 Apr 2023 and 30 Oct 2023 in respect of SH.0023 & SH.0024 respectively. At the request of the A&N administration for reallocation of the vessel for other prospective buyers, the delivery of ships has been abated, with minor progress. Since the Company has a valid contract with A&N Administration, the company has not recognized further liquidated damages in the financials beyond the dates mentioned above.
- Ship Building Financial Assistance ('SBFA') provided by Govt. of India is to compensate the cost incurred by the company in building the vessels and it is not for the losses already incurred. Prior to 2016, SBFA was named as "Shipbuilding Subsidy", with an intention to subsidize the cost/compensating the cost of construction of vessel. Subsequently the term has been reworded as "Ship Building Financial Assistance", without any change in the intention of the Government, modality, principles and procedure of the policy.

During FY 2022-23, SBFA is recognised over a period of time in proportion to the expenses / cost incurred as against 'recognition based on physical performance' which was followed in previous years. The impact of the same ₹ 85.21 lakhs is charged to P&L account.
- Cochin Shipyard Ltd (CSL) has entered into an Agreement with the Andaman and Nicobar Administration to commence its operations at Marine Dockyard, at Port Blair, a facility that is currently being operated directly by the A&N Administration. Management fee on pro rata basis is accounted based on this agreement. Under the ambit of this Agreement signed on 28 Nov 2019, CSL shall assist the Administration to set up a Ship repair ecosystem at A&N islands. CSL shall also associate in Augmentation and Modernisation of the facility and also focus efforts towards Skill Development in the Islands in consultation with the Administration and Technical Institutions located in the Islands.

Notes

 to the Consolidated Financial Statements for the year ended March 31, 2023

Note 35 : Other Income

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Training facilities	327.76	342.84
Income from sale of scrap and stores	1,345.61	743.38
Profit on sale of Property, Plant & Equipment	6.11	-
Income from laboratory services	17.58	24.11
Rental income	298.30	325.23
Hire charges	1.39	1.72
Interest on bank deposits	11,601.55	5,755.80
Interest from others	764.28	1,466.51
Dividend income from Preference shares	(0.00)	-
Dividend income from Society	0.54	-
Profit on sale of Mutual Funds	-	-
Net gain on foreign currency transactions	-	173.62
Net gain on derivative contracts	-	178.41
Provision no longer required	5,656.09	8,469.70
Proceeds from Bank Guarantee encashment - Performance guarantee/security deposits forfeited**	-	6,100.00
Unwinding of Discount on Security Deposit	-	-
Income from Charter hire	-	75.90
Miscellaneous income*	682.04	2,624.38
Total	20,701.25	26,281.60

*Miscellaneous income includes ₹1.14 lakhs being deferred government assistance in the form of subsidy relating to installation of Solar Power plant inside the yard. The same has been accounted as per the requirements of Ind AS 20 - Accounting for Government Grants and Disclosure of Government Assistance.

**During the year 2021-22, the company cancelled the contract for the turnkey work in setting up the international ship repair facility at Kochi due to the inability of the contractor to carry out the work as per terms of the contract. Consequently, the company encashed the bank guarantees received by it towards performance guarantee and security deposits, and forfeited the proceeds as per the terms of the contract, and has treated the same as income.

The Group is not accounting the Interest amount uploaded in Form 26 AS on those deposits which are not taken as fixed deposits in the books of UCSL due to lein marked before NCLT order.

Pursuant to the order of Madras High Court dismissing appeal filed by VOC Port Trust against the arbitral award, an amount of ₹181.82 lakhs has been received by the company and same has been accounted as other income under the head "Provision no longer required / Liabilities written back" during the FY 2022-23.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Note 36 : Cost of Materials Consumed

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Raw Materials		
Steel	4,055.72	2,058.46
Pipe	1,178.60	831.45
Paint	2,011.92	1,775.94
Bought out components	1,04,942.62	1,57,226.14
Total	1,12,188.86	1,61,891.99

Note 37 : Changes in Inventories of Work-in-Progress

(Other than those which are recognised as income on percentage / proportionate completion method)

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Work -in-progress at cost:		
At the beginning of the year	(352.31)	-
Less: at the end of the year	(496.05)	(352.31)
Total	(143.74)	(352.31)

Note 38: Sub Contract and Other Direct Expenses

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Sub contract and off loaded jobs	31,122.39	33,046.22
Hull insurance	335.99	620.67
Design Expenses	6,653.57	2,303.75
Other direct expenses	5,377.93	5,110.33
Total	43,489.88	41,080.97

Note 39: Employee Benefits Expenses

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Salaries, wages, bonus/exgratia and allowances	28,009.19	26,985.29
Contribution to Provident Fund and Family Pension Fund	2,664.87	1,833.79
Gratuity	328.65	358.49
Staff welfare expenses	2,698.79	2,178.74
	33,701.50	31,356.31
Less: Expenditure during construction	(275.95)	(249.13)
Total	33,425.55	31,107.18

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Contribution to Provident Fund and Family Pension Fund includes provident fund inspection and administration charges ₹43.62 lakhs (previous year ₹20.46 lakhs)

Salaries, Wages, bonus/exgratia and allowances includes provision for encashment of half pay compensated absences for workmen amounting to ₹17.96 lakhs (previous year ₹47.67 lakhs)

The employee benefits accruing to the employees on deputation from Cochin Port Trust and Mumbai Port Trust are being accounted based on demands received from Cochin Port Trust & Mumbai Port Trust as per tripartite agreement between the Company, Cochin Port Trust & Mumbai Port Trust and the recognised Trade unions of the Port and not based on actuarial valuation except for gratuity which is actuarially valued.

Post-employment obligations

Provident fund

Provident Fund for eligible employees is managed by the Company through a trust in line with the Provident Fund and Miscellaneous Provision Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employees and employer @12% of basic salary (including Dearness Allowance) together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement whichever is earlier. The benefits vests immediately on rendering of the services by the employee. The contribution is charged to Statement of Profit and Loss of the year when the contributions to the respective funds are due in accordance with relevant statute. Employer's contribution to Provident Fund & Family Pension fund is ₹2028.84 lakhs for the year 2022-23 (₹1353.43 lakhs for the year 2021-22). The minimum interest rate payable by the trust to the beneficiaries every year is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust (including investment risk fall) and the notified interest rate, which is determined on the basis of actuarial valuation.

The Company has obtained report on the determination and disclosure of interest rate Guarantee, valuation of Assets & Liabilities as per Ind AS 19 of Employees Benefits relating to Exempt Provident Fund for the period ended 31st March 2023.

The details of fund obligations as per actuarial valuation are given below:

Particulars	(₹ in lakhs)	
	2022-23	2021-22
Fair value of plan assets	19430.22	18689.22
Present value of benefit obligation at year end	19995.86	18558.63
Net liability / (Net asset)	565.64	(130.59)
Additional provision	Nil	Nil

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Other Benefit Plan - Compensated absences

The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Discount Rate (p.a)	7.23%	7.37%
Rate of increase in compensation levels	Officers &Supervisors 3% Workers 3%	3.00%
Attrition Rate- Half Pay Leave	0.70%	0.70%
Attrition Rate- Earned Leave	Officers &Supervisors 0.7% Workers 0.7%	0.70%
Average Duration of Defined Benefit Obligation (In years)	9.03	8.56

Amount recognised in the Statement of Profit and Loss in respect of defined benefit plans are as follows:-

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
		(₹ in lakhs)
Service Cost:		
Current Service Cost	227.99	214.03
Net Interest expense	267.00	229.1
Actuarial (Gain)/Loss recognised during the period	428.75	630.20
Expenses recognised in the statement of profit and loss	923.74	1073.33

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
		(₹ in lakhs)
Present Value of Defined Benefit Obligation at end of the year	4198.71	3970.62
Fair Value of Plan Assets at the end of the year	-	-
Net Liabilities /(Assets) recognized in the Balance Sheet	4,198.71	3,970.62

Type of Employee Benefit	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
		(₹ in lakhs)
Current Component of PVO	275.36	419.62
Non-Current Component of PVO	3923.34	3551.00
TOTAL PVO	4198.71	3970.62

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Movements in present value of the defined benefit obligation are as follows:-

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Defined Benefit Obligation at beginning of the year	3970.62	3676.83
Current & Past Service Cost	227.99	214.03
Current Interest Cost	267.00	229.10
Actuarial (Gain)/ Loss	428.75	630.20
Benefits paid	(695.65)	(779.54)
Defined Benefit Obligation at end of the year	4,198.71	3,970.62

Movements in the fair value of the plan assets are as follows:-

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Fair Value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Actuarial (Gain)/ Loss	-	-
Contributions from the employer	695.65	779.54
Benefits paid	(695.65)	(779.54)
Fair Value of the Assets at the end of the year	-	-

Expected Contributions in Following Years [mid-year cash flows]

(₹ in lakhs)

Year	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Year 1	80.98	125.67
Year 2	191.37	273.81
Year 3	183.51	104.67
Year 4	153.66	159.02
Year 5	141.97	139.61
Next 5 Years	585.85	551.92

"NA " denoted " Not Available"

Expected Benefit Payments in Following Years [mid-year cash flows]

(₹ in lakhs)

Year	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Year 1	80.98	125.67
Year 2	191.37	273.81
Year 3	183.51	104.67
Year 4	153.66	159.02
Year 5	141.97	139.61
Next 5 Years	585.85	551.92

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Sensitivity Analysis - Half Pay Leave	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
A. Discount Rate + 50 BP	7.73%	7.87%
Defined Benefit Obligation [PVO]	3,546.50	3,347.70
Current Service Cost	152.61	141.10
B. Discount Rate - 50 BP	6.73%	6.87%
Defined Benefit Obligation [PVO]	3,850.97	3,618.91
Current Service Cost	167.55	154.28
C. Salary Escalation Rate + 50 BP	3.50%	3.50%
Defined Benefit Obligation [PVO]	3,856.87	3,624.36
Current Service Cost	167.84	154.54
D. Salary Escalation Rate - 50 BP	2.50%	2.50%
Defined Benefit Obligation [PVO]	3,539.98	3,341.72
Current Service Cost	152.29	140.81

BP denotes "Basis Points"

Sensitivity Analysis - Earned Leave	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
A. Discount Rate + 50 BP	7.73%	7.87%
Defined Benefit Obligation [PVO]	3,546.50	3,347.70
Current Service Cost	152.61	141.10
B. Discount Rate - 50 BP	6.73%	6.87%
Defined Benefit Obligation [PVO]	3,850.97	3,618.91
Current Service Cost	167.55	154.28
C. Salary Escalation Rate + 50 BP	3.50%	3.50%
Defined Benefit Obligation [PVO]	3,856.87	3,624.36
Current Service Cost	167.84	154.54
D. Salary Escalation Rate - 50 BP	2.50%	2.50%
Defined Benefit Obligation [PVO]	3,539.98	3,341.72
Current Service Cost	152.29	140.81

BP denotes "Basis Points"

Notes

 to the Consolidated Financial Statements for the year ended March 31, 2023

Defined Benefit Plan-Gratuity

The principal assumptions used for the purpose of actuarial valuation were as follows (Head office):

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Discount Rate (p.a)	7.23%	7.37%
Rate of increase in compensation levels	Officers & Supervisors 3% Workers 3%	3.00%
Attrition Rate	Officers & Supervisors 0.70% Workers 0.70%	0.70%
Expected Rate of Return on Plan Asset	7.23%	7.37%
Average Duration of Defined Benefit Obligations (In years)	10.83	9.71

Amount recognised in the Statement of Profit and Loss/Other comprehensive income in respect of defined benefit plans are as follows:-

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
		(₹ in lakhs)
Service Cost:		
Current Service Cost	265.13	251.58
Past Service Cost		
Net Interest expense	290.20	(6.88)
Components of defined benefit costs recognised in statement of profit and loss	555.33	244.69
Remeasurement of the net defined benefit liability:		
Actuarial (Gain)/Loss on Plan Obligations	202.52	246.93
Difference between Actual Return and Interest income on Plan assets (gain)/loss	(751.54)	(113.10)
Components of defined benefit costs recognised in Other Comprehensive Income	(549.02)	133.83

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
		(₹ in lakhs)
Present Value of Defined Benefit Obligation at end of the year	4,319.66	4,313.35
Less: Fair Value of Plan Assets at the end of the year	3,818.15	4,033.56
Net Liabilities /(Assets) recognized in the Balance Sheet	501.50	279.79

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Movements in present value of the defined benefit obligation are as follows:-

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Defined Benefit Obligation at beginning of the year	4,313.35	4,664.16
Current Service Cost	265.13	251.58
Current Interest Cost	290.20	285.54
Past Service Cost	-	
Actuarial (Gain)/ Loss	202.52	246.93
Benefits paid	(751.54)	(1,134.86)
Defined Benefit Obligation at end of the year	4,319.66	4,313.35

Movements in the fair value of the plan assets are as follows:-

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Fair Value of Plan Assets at the beginning of the year	4,033.56	4,762.90
Expected Return on Plan Assets	279.89	292.42
Actuarial Gain/(Loss)	(23.55)	113.10
Contributions from the employer	279.79	-
Benefits paid	(751.54)	(1,134.86)
Fair Value of the Assets at the end of the year	3,818.14	4,033.55

Expected Contributions in Following Years [mid-year cash flows]-

Year	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Year 1	NA	NA
Year 2	NA	NA
Year 3	NA	NA
Year 4	NA	NA
Year 5	NA	NA
Next 5 Years	NA	NA

"NA " denoted " Not Available"

Expected Benefit Payments in Following Years [mid-year cash flows]-

Year	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Year 1	160.58	349.40
Year 2	571.47	865.52
Year 3	437.68	291.48
Year 4	400.09	400.43
Year 5	322.41	386.67
Next 5 Years	1,167.06	1,172.15

Notes

 to the Consolidated Financial Statements for the year ended March 31, 2023

Sensitivity Analysis	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
A. Discount Rate + 50 BP	7.73%	7.87%
Defined Benefit Obligation [PVO]	4,111.97	4,127.61
Current Service Cost	276.46	247.97
B. Discount Rate - 50 BP	6.73%	6.87%
Defined Benefit Obligation [PVO]	4,544.50	4,514.29
Current Service Cost	316.81	283.98
C. Salary Escalation Rate + 50 BP	3.50%	3.50%
Defined Benefit Obligation [PVO]	4,519.69	4,494.68
Current Service Cost	308.18	279.16
D. Salary Escalation Rate - 50 BP	2.50%	2.50%
Defined Benefit Obligation [PVO]	4,127.12	4,141.13
Current Service Cos	280.70	250.01

BP denotes "Basis Points"

MAJOR CATEGORIES OF PLAN ASSETS (AS PERCENTAGE OF TOTAL PLAN ASSETS)

	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Government of India Securities	31.68%	30.42%
State Government Securities	27.62%	31.51%
High Quality Corporate Bonds	0.00%	0.00%
Equity shares of listed companies	23.62%	24.32%
Property	0.00%	0.00%
Special Deposit Scheme	0.00%	0.00%
Funds managed by Insurer	0.33%	0.31%
Others (to specify)	16.75%	13.44%
Total	100.00%	100.00%

The plan assets are managed by the Gratuity Trust formed by the Company..

The principal assumptions used for the purpose of actuarial valuation of International Ship Repair Facility (ISRF) and CSL Mumbai Ship Repair Unit (CMSRU) were as follows:

	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Discount Rate (p.a)-ISRF	7.30%	6.30%
Discount Rate (p.a)-CMSRU	7.30%	5.40%
Rate of increase in compensation levels	3.00%	3.00%
Attrition Rate	2.00%	2.00%
Expected Rate of Return on Plan Asset	0.00%	0.00%

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Amount recognised in the Statement of Profit and Loss/Other comprehensive income in respect of defined benefit plans are as follows:-

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Service Cost:		
Current Service Cost	24.28	35.68
Past Service Cost	0.00	0
Net Interest expense	16.58	15.19
Components of defined benefit costs recognised in statement of profit and loss	40.86	50.87
Remeasurement of the net defined benefit liability:		
Actuarial (Gain)/Loss on Plan Obligations	(93.24)	(55.96)
Difference between Actual Return and Interest income on Plan assets (gain)/loss	-	-
Components of defined benefit costs recognised in Other Comprehensive Income	(93.24)	(55.96)

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Present Value of Defined Benefit Obligation at end of the year	214.62	267.00
Less: Fair Value of Plan Assets at the end of the year	-	-
Net Liabilities /(Assets) recognized in the Balance Sheet	214.62	267.00

Movements in present value of the defined benefit obligation are as follows:-

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Defined Benefit Obligation at beginning of the year	267.00	272.09
Current Service Cost	24.28	35.68
Current Interest Cost	16.58	15.19
Past Service Cost	-	-
Actuarial (Gain)/ Loss	(93.24)	(55.96)
Benefits paid	-	-
Defined Benefit Obligation at end of the year	214.62	267.00

ISRF & CMSRU gratuity is self managed by the Company.

Expected Contributions in Following Years [mid-year cash flows]

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	
	ISRF	CMSRU
Year 1	NA	NA
Year 2	NA	NA
Year 3	NA	NA
Year 4	NA	NA
Year 5	NA	NA
Next 5 Years	NA	NA

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

“NA “ denoted “ Not Available”

Expected Contributions in Following Years [mid-year cash flows]

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2022	
	ISRF	CMSRU
Year 1	NA	NA
Year 2	NA	NA
Year 3	NA	NA
Year 4	NA	NA
Year 5	NA	NA
Next 5 Years	NA	NA

NA “ denoted “ Not Available”

Expected Benefit Payments in Following Years [mid-year cash flows]

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	
	ISRF	CMSRU
Year 1	25.46	5.97
Year 2	32.56	3.88
Year 3	22.42	-
Year 4	27.83	2.91
Year 5	18.96	1.56
Next 5 Years	68.53	4.49

Expected Benefit Payments in Following Years [mid-year cash flows]

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2022	
	ISRF	CMSRU
Year 1	70.02	15.36
Year 2	23.72	1.09
Year 3	25.62	2.69
Year 4	18.79	0.00
Year 5	26.51	3.20
Next 5 Years	75.25	4.71

Sensitivity Analysis as on 31.03.2023

Particulars	ISRF	CMSRU
A. Discount Rate + 100 BP	8.30%	8.30%
Defined Benefit Obligation [PVO]	187.92	18.27
Variation	(4.02%)	(2.94%)
B. Discount Rate - 100 BP	6.30%	6.30%
Defined Benefit Obligation [PVO]	204.35	19.42
Variation	4.37%	3.17%
C. Salary Escalation Rate + 100 BP	4.00%	4.00%
Defined Benefit Obligation [PVO]	203.65	19.35
Variation	4.01%	2.78%
D. Salary Escalation Rate - 100 BP	2.00%	2.00%
Defined Benefit Obligation [PVO]	188.44	18.33
Variation	(3.75%)	(2.62%)

BP denotes “Basis Points”

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Sensitivity Analysis as on 31.03.2022

Particulars	ISRF	CMSRU
A. Discount Rate + 100 BP	7.30%	6.40%
Defined Benefit Obligation [PVO]	23.13	26.43
Variation	(3.60%)	(2.38%)
B. Discount Rate - 100 BP	5.30%	4.40%
Defined Benefit Obligation [PVO]	24.93	27.76
Variation	3.92%	2.56%
C. Salary Escalation Rate + 100 BP	4.00%	4.00%
Defined Benefit Obligation [PVO]	24.84	27.63
Variation	3.51%	2.10%
D. Salary Escalation Rate - 100 BP	2.00%	2.00%
Defined Benefit Obligation [PVO]	23.20	26.53
Variation	(3.27%)	(1.98%)

BP denotes "Basis Points"

Employee Benefit Plans of UCSL (Subsidiary)

Defined Benefit Plan-Compensated Absences

The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	For the year ended Mar 31, 2023
Discount Rate (p.a)	7.30%
Rate of increase in compensation levels	3.00%
Withdrawal rate	1.00%

Amount recognised in the Statement of Profit and Loss in respect of defined benefit plans are as follows:-

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023
Service Cost:	
Current Service Cost	3.67
Past Service Cost	1.03
Net Interest expense	-
Acturil (Gain) / Loss recognised during the period	-
Expenses recognised in the statement of profit or loss	4.70

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023
Present Value of Defined Benefit Obligation at end of the year	4.70
Less: Fair Value of Plan Assets at the end of the year	-
Net Liabilities /(Assets) recognized in the Balance Sheet	4.70

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Type of Employee Benefit

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023
Current component of PVO	0.11
Non Current component of PVO	4.59
Total PVO	4.70

Movements in present value of the defined benefit obligation are as follows:-

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023
Defined Benefit Obligation at beginning of the year	-
Current Service Cost	3.67
Past Service Cost	1.03
Current Interest Cost	-
Actuarial (Gain)/ Loss	-
Benefits paid	-
Defined Benefit Obligation at end of the year	4.70

Movements in the fair value of the plan assets are as follows:-

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023
Fair Value of Plan Assets at the beginning of the year	-
Expected Return on Plan Assets	-
Actuarial (Gain)/ Loss	-
Contributions from the employer	-
Benefits paid	-
Fair Value of the Assets at the end of the year	-

Expected Contributions in Following Years [mid-year cash flows]

(₹ in lakhs)

Year	For the year ended Mar 31, 2023
Year 1	NA
Year 2	NA
Year 3	NA
Year 4	NA
Year 5	NA
6 Years and Above	NA

"NA " denoted " Not Available"

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Expected Benefit Payments in Following Years [mid-year cash flows]

(₹ in lakhs)

Year	For the year ended Mar 31, 2023
Year 1	-
Year 2	1.69
Year 3	-
Year 4	0.77
Year 5	-
6 Years and Above	2.24

Sensitivity Analysis

Particulars	For the year ended Mar 31, 2023
A. Discount Rate + 100 BP	8.30%
Defined Benefit Obligation [PVO]	4.31
Variation	(8.25%)
B. Discount Rate - 100 BP	6.30%
Defined Benefit Obligation [PVO]	5.16
Variation	9.92%
C. Salary Escalation Rate + 100 BP	4.00%
Defined Benefit Obligation [PVO]	5.16
Variation	9.74%
D. Salary Escalation Rate - 100 BP	2.00%
Defined Benefit Obligation [PVO]	4.32
Variation	(8.19%)

BP denotes "Basis Points"

Defined Benefit Plan-Gratuity

The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Discount Rate (p.a)	7.30%	6.20%
Rate of increase in compensation levels	3.00%	3.00%
Expected Rate of Return on Asset	0.00%	0.00%

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Amount recognised in the Statement of Profit and Loss/Other comprehensive income in respect of defined benefit plans are as follows:-

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Service Cost:		
Current Service Cost	11.85	8.06
Past Service Cost	-	-
Net Interest expense	0.50	-
Components of defined benefit costs recognised in statement of profit and loss	12.35	8.06
Remeasurement of the net defined benefit liability:		
Actuarial (Gain)/Loss on Plan Obligations	(0.62)	-
Difference between Actual Return and Interest income on Plan assets (gain)/loss	-	-
Components of defined benefit costs recognised in Other Comprehensive Income	(0.62)	-

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Present Value of Defined Benefit Obligation at end of the year	19.79	8.06
Less: Fair Value of Plan Assets at the end of the year	-	-
Net Liabilities /(Assets) recognized in the Balance Sheet	19.79	8.06

Movements in present value of the defined benefit obligation are as follows:-

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Defined Benefit Obligation at beginning of the year	8.06	-
Current Service Cost	11.85	8.06
Current Interest Cost	0.50	-
Past Service Cost	-	-
Actuarial (Gain)/ Loss	(0.62)	-
Benefits paid	-	-
Defined Benefit Obligation at end of the year	19.79	8.06

Movements in the fair value of the plan assets are as follows:

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Fair Value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Actuarial (Gain)/ Loss	-	-
Contributions from the employer	-	-
Benefits paid	-	-
Fair Value of the Assets at the end of the year	-	-

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Expected Contributions in Following Years [mid-year cash flows] :

Year	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Year 1	NA	NA
Year 2	NA	NA
Year 3	NA	NA
Year 4	NA	NA
Year 5	NA	NA
6 years and Above	NA	NA

“NA “ denoted “ Not Available”

Expected Benefit Payments in Following Years [mid-year cash flows]:

Year	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Year 1	0.30	-
Year 2	2.82	-
Year 3	13.57	-
Year 4	1.49	1.11
Year 5	-	6.95
6 years and Above	1.61	-

Sensitivity Analysis

Particulars	(₹ in lakhs)	
	For the year ended Mar 31,2023	For the year ended Mar 31,2022
A. Discount Rate + 100 BP	8.30%	7.20%
Defined Benefit Obligation [PVO]	19.70	7.73
Variation	(3.60%)	(4.09%)
B. Discount Rate - 100 BP	6.30%	5.20%
Defined Benefit Obligation [PVO]	20.58	8.40
Variation	4.05%	4.30%
C. Salary Escalation Rate + 100 BP	4.00%	4.00%
Defined Benefit Obligation [PVO]	20.51	8.37
Variation	3.68%	3.89%
D. Salary Escalation Rate - 100 BP	2.00%	2.00%
Defined Benefit Obligation [PVO]	19.13	7.75
Variation	(3.31%)	(3.78%)

BP denotes “Basis Points”

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Employee Benefit Plans of HCSL (Subsidiary)

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.

(₹ in lakhs)

Particulars	For the year ended 31st March 2023		For the year ended 31st March, 2022	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
I Components of Employer Expense				
Recognised in the Statement of Profit and Loss:				
1 Current Service Cost	4.75	2.06	3.56	5.70
2 Past Service Cost	-	-	-	-
3 Net Interest Cost	0.26	0.42	-	-
4 Actuarial gains/(losses)	-	0.72	-	-
5 Total expense recognised in the Statement of Profit and Loss	5.01	3.20	3.56	5.70
Re-measurements recognised in Other Comprehensive Income				
6 Return on plan assets (greater)/less than discount rate	-	-	-	-
7 Effect of changes in assumptions	-	-	-	-
8 Effect of experience adjustments	0.08	-	-	-
9 Total re-measurements included in Other Comprehensive Income	0.08	-	-	-
10 Total defined benefit cost recognised in the Statement of Profit and Loss and Other Comprehensive Income (5+9)	5.09	3.20	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 "Employee Salaries & Allowances" under Note 39. The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

Particulars	For the year ended 31st March 2023		For the year ended 31st March, 2022	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
II Net Liability/(Asset) recognised in Balance Sheet				
Present Value of Defined Benefit Obligation	8.65	8.90	3.56	5.70
Fair Value of Plan Assets	-	-	-	-
Net liability:				
- Non-Current	8.58	8.68	3.53	5.56
- Current	0.07	0.22	0.03	0.14
III. Change in Defined Benefit Obligation (DBO)				
1 Present Value of DBO at the beginning of the year	3.56	5.70	-	-
2 Current Service Cost	4.75	2.06	3.56	5.70
3 Past Service Cost	-	-	-	-
4 Net Interest Cost	0.26	0.42	-	-
5 Actuarial gains/(losses)	-	0.72	-	-
6 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	0.08	-	-	-
7 Curtailment Cost/(Credits)	-	-	-	-
8 Settlement Cost/(Credits)	-	-	-	-
9 Acquisitions credit/ (cost)	-	-	-	-
10 Effects of transfer In/(Out)	-	-	-	-
11 Benefits Paid	-	-	-	-
12 Net defined benefit liability/ (asset) at end of current period	8.65	8.90	3.56	5.70
IV. Best Estimate of Employers' Expected Contribution for the next year				
Gratuity			NA	NA
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 the Consolidated Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

Particulars	For the year ended 31st March 2023		For the year ended 31st March, 2022	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
VI. Actuarial Assumptions				
1 Discount rate per annum	7.30%	7.30%	7.30%	7.30%
2 Rate of Escalation in Salary	3.00%	3.00%	3.00%	3.00%
3 Mortality Rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
4 Withdrawal	0.70%	0.70%	0.70%	0.70%
VII. Sensitivity Analysis				
<p>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.</p>				
A Discount Rate				
Effect on DBO due to 1% increase in Discount Rate	7.30%	7.30%	7.30%	7.30%
Percentage Impact	(1.07)	(1.13)	(0.46)	(0.71)
Effect on DBO due to 1% decrease in Discount Rate	(12.40%)	(12.60%)	(13.00%)	(12.40%)
Percentage Impact	1.29	1.35	0.55	0.84
B Salary Escalation Rate	14.90%	15.10%	15.60%	14.80%
Effect on DBO due to 1% increase in Salary Escalation Rate	3.00%	3.00%	3.00%	3.00%
Percentage Impact	1.33	1.39	0.57	0.87
Effect on DBO due to 1% decrease in Salary Escalation Rate	15.40%	15.70%	16.10%	15.30%
Percentage Impact	(1.12)	(1.18)	(0.49)	(0.74)
Maturity Analysis of the Benefit Payments	(13.00%)	(13.20%)	(13.70%)	(13.00%)
Year 1	0.07	0.23	0.03	0.14
Year 2	0.27	0.30	0.00	0.19
Year 3	2.55	0.38	0.00	0.24
Year 4	3.69	0.47	0.00	0.29
Year 5	0.66	0.57	0.00	0.35
Next 5 Years	16.53	16.07	0.01	2.81

Amounts towards Defined Contribution Plans have been recognised under "Contribution to Provident and other funds" in Note 39: ₹27.02 Lakh (2021 - ₹3.59 Lakh).

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 40: Finance Costs

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Interest expense on lease liabilities	3,975.85	3,659.93
Interest on tax free bonds	1,051.44	1,051.44
Interest on Cash credit	28.40	-
Interest others	40.12	0.00
	5,095.81	4,711.37
Less: Expenditure during construction	(1,593.22)	-
Total	3,502.59	4,711.37

Note 41: Depreciation and Amortisation Expenses

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Depreciation on property, plant and equipments	5,408.51	5,047.48
Depreciation on RoU Assets	1,630.32	1,645.24
Amortisation of other intangible asset	396.09	109.23
Total	7,434.92	6,801.95
Less: Expenditure during construction	(550.71)	-
Total	6,884.21	6,801.95

Note 42: Other Expenses

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Consumption of stores & spares	2,632.01	2,057.19
Diminution in value of Loose tools	133.33	164.48
Rates and taxes	126.70	277.43
Power	2,741.04	2,667.42
Fuel	138.96	2,024.63
Water	390.91	306.34
Repairs and maintenance:		
Building and roads	1,460.08	618.42
Plant and machinery	271.59	227.99
Docks		
Others	1,668.61	1,303.74
Maintenance dredging	616.82	287.35
Transport and stores handling	105.37	89.08
Travelling and conveyance expenses	1,171.73	735.91
Printing and stationery	94.00	77.02
Postage, telephone and telex	54.11	55.30
Advertisement and publicity	424.34	315.60
Lease rent	10.60	11.87
Hire charges	588.95	591.89
Insurance charges	652.55	703.02

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Security expenses	2,579.08	2,246.37
Payments to Auditors	37.55	34.34
Fee for statutory compliances	1.32	1.02
Training expenses	750.98	657.33
Legal expenses	84.45	29.22
Consultancy	66.50	46.76
Bank charges	826.70	604.71
Net loss on foreign currency transactions	109.01	-
Corporate social responsibility (Refer Note no.52)	1,654.96	1,619.47
Loss on sale/write off of property, plant and equipments	4.92	1.02
Penalty Payment	38.89	-
Loss on Lease Modification	32.08	-
Stores written off	12.34	185.81
R&D and New initiatives*	864.16	-
Miscellaneous expenses	803.18	700.70
Total	21,147.82	18,649.66

Persuant to extension of lease agreement, ROU and lease liabilities in the books of accounts stood as at 23.12.2022 (the date of Lease Modification) were remeasured and loss on lease modification amounting to ₹32.08 lakhs charged off to Profit and Loss account.

Auditors remuneration, Auditors remuneration for other services and Miscellaneous expenses include:

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
For Audit Fees	24.50	20.50
For Limited Review/other services	11.30	11.85
For Certifications	1.75	1.99
Total	37.55	34.34

*R&D and New initiatives includes the following:

- National Centre of Excellence for Green Port & Shipping (NCoEGPS) is a major initiative by the Ministry of Ports, Shipping and Waterways (MOPSW) towards providing greener solutions. The Energy and Resources Institute (TERI) is the knowledge and implementation partner for this project. The centre aims to develop a regulatory framework and alternate technology adoption road map for Green Shipping to foster carbon neutrality and circular economy (CE) in shipping sector in India. MoPSW, Deenadayal Port Authority Kandal, Paradip Port Authority Paradip, V O Chidambaranar Port authority Thoothukudi & Cochin Shipyard Ltd have partnered to develop NCoEGPS by providing funding support for infrastructure development and supporting research and capacity-building activities for 5 years. During FY 22-23, CSL has paid ₹475.00 lakhs to TERI which has been reported as R&D expenses.
- Ushus is a startup support program of CSL in association with IIMK LIVE & IIT Madras to augment the Government of India's initiatives to encourage and develop an ecosystem in India to support Maritime Startups. As part of this program maritime startups will receive seed funds from CSL as grants/investments. IIMK LIVE & IIT Madras will review and recommend the proposals received under this scheme for investment by CSL. Fee for their services amounts to ₹18.50 lakhs.
- M/s Boston Consulting group was entrusted for preparation of detailed report for Setting up of Ship repair cluster (Mumbai & Kochi) in India in line with MoPSW's Maritime India Vision-2030 for an amount of ₹343.00 lakhs.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 43: Provision for Anticipated Losses and Expenditure

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Loss allowance for Trade Receivables	730.47	4,134.08
Expenses and contingencies	268.74	482.07
Total	999.21	4,616.15

Note 44: Exceptional items

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Sale of Excluded ship Y 123 held on behalf of CoC	3,850.00	-
Less: Sale proceeds directly collected by/ passed on to CoC as per NCLT order	(3,850.00)	-
Provision for Inventory written back / (Provision for inventory)		
Write off of property, plant and equipments	-	454.51
Provision for Subsidy Receivable written back / (Provision for subsidy receivable)	-	(179.36)
Prior period error	6,181.35	
Total	6,181.35	275.15

The land and water area on which the International Ship Repair Facility (ISRF) project is taken on lease from Cochin Port Trust. The company has commenced development of the new ship repair facility with effect from 09th Jan 2018. The lease period of 30 years commences from date of Environmental Clearance. The Company has not considered capitalization of said cost amounting to ₹8288.21 lakhs from the commencement of project construction/development till 31 Mar 2023. As the amount is less than the materiality level arrived by the Company, the management rectified/corrected the prior periods error amounting to ₹6181.35 lakhs during the year, which was duly classified as 'Exceptional items'.

Persuant to NCLT Order, Tripartite agreement was entered into among UCSL, Committee of Creditors & HAL Offshore limited, for effecting transfer of title of excluded ship bearing Hull No. Y 123. In accordance with the agreement, Tax invoice was raised by company for the consideration of ₹ 3850 lakhs which was collected directly by CoC. GST portion amounting to ₹192.50 lakhs (5% on sale consideration) collected by company from the transferee to facilitate GST remittance has been remitted to Govt treasury.

Note 45: Earnings per Equity Share

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Net Profit after tax (₹ in lakhs)	30,470.91	56,396.14
Basic and Diluted Earnings Per Share (EPS) (in ₹)	23.16	42.87
Face value per share (in ₹)	10.00	10.00

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Note 46: Additional Disclosures under Ind AS 115—"Revenue from Contract with Customers"

Disclosures of Disaggregated revenue as per INDAS 115

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Revenue from Contracts with customers		
A. Revenue from goods or services transferred over time		
(i) Sale of products		
Ship building:		
Indigenous Aircraft Carrier (IAC)	142418.66	179266.04
Vessels other than IAC	34373.45	67674.19
Other operating revenue		
Ship Building Financial Assistance	1424.67	3486.17
Management fee	1537.50	1500.00
(ii) Sale of services		
Ship repairs	55088.34	65794.50
B. Revenue from goods or services transferred to customers at a point in time		
Other operating revenue		
Sale of Ship Building Scrap	1017.42	774.42
Sale of Ship Repair Scrap	532.18	599.38
Total	236392.23	319094.70

Details of transaction price allocated to unsatisfied/ partially satisfied performance obligations:

Aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period amounts to ₹1714555.08 lakhs (excluding Cost Plus Part of IAC contract). The amount of transaction price relating to unsatisfied performance obligation that are part of a contract that has an original expected duration of one year or less has not been included in the above disclosure as permitted under Ind AS 115. Further the estimate of the transaction price as above would not include any estimated amounts of variable consideration that are constrained. Management expects that 20.60 % of transaction price allocated to unsatisfied/ partially satisfied contracts as of 31.03.2023, as stated above, will be recognised as revenue during FY 2023-24 and the remaining thereafter.

During the year ended March 31, 2023 the Company recognised revenue of ₹69396.51 lakhs arising from opening Contract Liability as of April 01, 2022.

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to the Consolidated Financial Statements for the year ended March 31, 2023

Reconciliation of contracted price with revenue during the year

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Opening contracted price of orders	1502234.10	1495498.24
Add:		
Fresh orders/change orders received (net)	1009900.07	117957.69
Increase due to additional consideration including Shipbuilding Financial assistance	2745.77	(74.03)
Increase due to exchange rate movements (net)	4858.33	720.76
Less:		
Other deductions including variations, change orders etc.	2199.59	2479.72
Orders completed during the year	48781.92	109388.84
Closing contracted price of orders	2468756.76	1502234.10
Total Revenue recognised during the year:	74514.75	146496.07
Less: Revenue out of orders completed during the year	5428.88	14774.27
Revenue out of orders under execution at the end of the year (I)	69085.87	131721.80
Revenue recognised upto previous year (from orders pending completion at the end of the year) (II)	685115.82	616418.34
Decrease due to exchange rate movements (net) (III)		
Balance revenue to be recognised in future viz. Order book (IV)	1714555.07	754093.96
Closing contracted price of orders (I+II+III+IV)	2468756.76	1502234.10

Note 47: Additional Disclosures under Ind AS 116-“Leases”

Rent and Hire charges Expense includes expense incurred for the year ended 31.03.2023 relating to Short term leases and leases of low value assets amounting to ₹130.23 lakhs (Previous year ₹85.50 lakhs).

Total Cash outflow for leases for the year ended March 31, 2023 including outflow for short term and low value leases is ₹2995.70 lakhs (Previous year ₹2575.78 lakhs).

The Company has lease term extension options that are not reflected in the measurement of lease liabilities.

The details of the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis are as follows

Particulars	(₹ in lakhs)	
	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Less than one year	2,905.98	2,742.78
One to five years	12,719.60	11,636.06
More than five years	1,21,540.14	1,21,828.25
Total	1,37,165.71	1,36,207.09

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to the Consolidated Financial Statements for the year ended March 31, 2023

The details of the contractual maturities of leased assets as at March 31, 2022 on an undiscounted basis are as follows

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Less than one year	35.78	200.78
One to five years	159.87	152.94
More than five years	204.41	247.12
Total	400.06	600.84

Movement of Lease Liabilities was as under:

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Opening Balance	42,796.57	41,664.13
Add: Additions	1,276.68	
Add: Interest recognised during the year	3,975.84	3,659.94
Less: Deletion / Disposal	80.04	
Less: Payment made	2,523.20	2,527.50
Closing Balance	45,445.85	42,796.57

Note 48: Additional Disclosures for Hedge Accounting

The company enters into foreign exchange derivative contracts to offset the foreign currency risks arising from the amounts denominated in currencies other than Indian Rupee. The counter party to the company's foreign currency forward contracts is generally a bank.

The company has the following outstanding forward contracts, which have been designated as Cash Flow Hedges, as on 31 Mar 23:

(₹ in lakhs)

Currency	No. of contracts	Mar 31, 2023		No. of contracts	Mar 31, 2022	
		Notional amount of contracts	Fair Value Gain/ (Loss)		Notional amount of contracts	Fair Value Gain/ (Loss)
Euro	34	63630.13	(3892.22)	1	794.61	1.30
NOK	8	13431.68	(889.68)			
Total	42.00	77061.81	(4781.90)		794.61	1.30

The movement in Hedge reserve for derivatives designated as cash Flow Hedges is as follows:

(₹ in lakhs)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Balance at the beginning of the year Cr/(Dr)	0.97	90.60
Changes in the fair value of effective portion of outstanding cash flow derivatives (Net)	(3579.37)	(89.63)
Balance at the end of the year	(3578.40)	0.97

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 49: CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at Mar 31, 2023 (₹ in lakhs)	As at Mar 31, 2022 (₹ in lakhs)	Brief Description of the nature and obligation
A CONTINGENT LIABILITY (To the extent not provided for)			
a Guarantees			
i Letters of Credit	23,676.09	11,664.67	Represents Letter of Credit opened by the Company in various banks for procurement of materials/assets.
ii Bank Guarantees	83,995.04	39,139.27	Bank guarantees (including continuity guarantees) represent guarantees issued by various banks on behalf of the Company to its customers and other beneficiaries. Value of advance Bank Guarantee/Indemnity Bond outstanding as on Balance sheet date is included in Note 50.
b Other money for which the company is contingently liable			
i Greater Cochin Development Authority (GCDA)	69.06	69.06	Claim raised by GCDA for the land acquired for the Company is settled. However 8 land acquisition revision petition cases (Valued at ₹69.06 lakhs) filed by evictees is pending with the Hon'ble Supreme Court and High Court.
ii Customs duties	6,485.78	16,796.84	Customs duty for materials under Bond and indigenous vessels delivered. Includes an amount of ₹69.83 lakhs being Customs duty refund granted by CESTAT, Bangalore, against which an appeal was filed by the Department before the Hon'ble High Court of Kerala. The Hon'ble High Court of Kerala has since disposed off the appeal with a direction to the Department to prefer the appeal before the Hon'ble Supreme Court of India. In absence of any further information on the departmental appeal, the same has been retained as Contingent Liability. This also includes ₹5982.16 lakhs paid under protest.
iii Income Tax	2,236.53	2,069.97	Demand relating to Assessment Years: AY 2010-11 - ₹126.26 lakhs AY 2014-15 - ₹911.07 lakhs AY 2017-18 - ₹331.77 lakhs AY 2018-19 - ₹20.76 lakhs AY 2020-21 - ₹819.51 lakhs AY 2021-22 - ₹27.16 lakhs Detailed notes in Note no. 49.1 (I)
iv Service Tax	1,647.47	1,647.47	Demand of Service Tax on IAC (Design Consultancy) as per Show Cause Notice issued. Appeal filed to CESTAT.
	376.67	376.67	Refund claim of Service Tax on IAC granted by Commissioner (Appeal). However Department filed Appeal before CESTAT against the order of Commissioner (Appeals). Also issued Show Cause Notice on CSL.
	323.04	323.04	Demand of Service Tax on IAC (Management Fee/Handling Charges) as per Show Cause Notice issued. Appeal filed to CESTAT.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Particulars	As at Mar 31, 2023 (₹ in lakhs)	As at Mar 31, 2022 (₹ in lakhs)	Brief Description of the nature and obligation
	2,339.64	2,339.64	Show Cause Notice issued for levy of service tax on ship repair without allowing deduction of materials for which VAT paid and disallowance of Cenvat Credit. Proceedings under the show cause has been dropped vide order no. COC-EXCUS-000-COM-18-17-18 dt 19.03.2018. Department filed appeal to CESTAT.
	1,885.49	1,885.49	Show Cause Notice issued for levy of Service Tax on the repair of vessels owned by UTLA by denying the benefit of Notification No.25/212-ST dt. 20-6-2012 available for the repair of vessels owned by Govt. Departments. Proceedings under the show cause has been dropped vide order no. COC-EXCUS-000-COM-11-17-18 dt 07.03.2018. Department filed appeal to CESTAT.
	513.71	513.71	Show Cause Notice issued for levy of Service Tax on the repair of vessels during FY 2015-16 owned by UTLA by denying the benefit of Notification No.25/212-ST dt. 20-6-2012 available for the repair of vessels owned by Govt. Departments.
	734.93	734.93	Show Cause Notice issued for levy of Service Tax on the repair of vessels during FY 2016-17 owned by UTLA by denying the benefit of Notification No.25/212-ST dt. 20-6-2012 available for the repair of vessels owned by Govt. Departments.
	150.57	150.57	Show Cause Notice issued for levy of service tax on ship repair during the period 2015-16 without allowing deduction of materials for which VAT paid and disallowance of Cenvat Credit. Joint Commissioner vide OIO No.48/2020-ST(JC) dt 31.12.2020 confirmed demand. Appeal filed to Commissioner (Appeals) against OIO.
	286.85	286.85	Show Cause Notice issued for levy of service tax on ship repair during the period 2016-17 without allowing deduction of materials for which VAT paid and disallowance of Cenvat Credit.
	279.46	279.46	Show Cause Notice issued for non payment of service tax on availing services of persons in non-taxable territory for meeting contractual warranty obligations and on cost of security provided to the transportin of Barge from Cochin to Abu Dhabi. Appeal filed to CESTAT.
v Kerala Value Added Tax (KVAT)	787.32	0.00	Demand for FY 2015-16. Assessing office made additions to taxable turnover against the order of Joint Commissioner (Appeals) and raised demand.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Particulars	As at Mar 31, 2023 (₹ in lakhs)	As at Mar 31, 2022 (₹ in lakhs)	Brief Description of the nature and obligation
vi Alekton Engineering Industries Pvt Ltd	240.74	195.09	The petitioner (claimant) approached MSME Council for recovery of Liquidated damages (LD) along with interest in respect of LD deducted by CSL for delay in submission of drawings and supply of goods. MSME Council, Chennai has referred the case to Madras High Court Arbitration Centre for arbitration. Madras High Court Arbitration Centre has appointed Mr. Suhrith Parthsarrathy as the sole arbitrator. Claim petition filed by the petitioner. Examination of witness is in progress.
vii Employee State Insurance Corporation	54.66	54.66	ESI Corporation raised a demand notice for ₹62.28 lakhs towards contribution for advance trainees for the period Apr 2008- Mar 2012. Company has paid contribution of ₹26.46 lakhs for the period Jun 2010- Mar 2012 and ₹25.95 lakhs for the period Apr 2012- Jul 2013 belatedly. Later on, ESI Department has raised a demand notice of ₹19.84 lakhs towards interest on delayed payments and damages for the period Jun 2010- Jul 2013. The Company is contesting the demands made before Honourable Insurance Court, Alappuzha. In the meantime, the court has granted a stay by depositing ₹1 lakh.
viii M/s. Vigil Marine Services	1861.59		M/s. Vigil Marine Services in 2004 raised claims towards Agency Commission payable for winning orders for ATCO Tugs. The arbitration proceedings commenced on 10 Oct 2004. Examination and cross examination of witnesses completed and posted the matter for arguments on 01 and 02 Feb 2014. The Arbitrator completed the proceedings and passed his award directing the Company to pay commission to M/s Vigil Marine Services at the rate of 5% of the ATCO contract value of U S Dollar 18.25 Million with interest @ 8% per annum. Aggrieved on this CSL filed Original Suit No 187/2016 before Sub Court, Ernakulam and obtained an interim order staying execution of the award. Bank guarantee for the award amount along with interest from the date of receipt of the amount till the date of award (₹1305 lakhs) has been deposited as security to Hon'ble High Court and and the same is included in Note 50.
ix Building Tax	27.54	0.00	CSL has challenged demand notice B1/14569/2019 No 112/19-20 dated 10.8.2019 under S. 10 of the Kerala Building Tax Act 1975 demanding an amount of ₹27,54,000/- towards building tax for the building owned by CSL at Girinagar (METI) by filing WP No. 14999/2023 before the Hon'ble High Court of Kerala. The Hon'ble Court vide its order dated 02 May 2023 has granted interim stay of the operation of the demand notice and orders passed by the State Government till 30 May 2023.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Particulars	As at Mar 31, 2023 (₹ in lakhs)	As at Mar 31, 2022 (₹ in lakhs)	Brief Description of the nature and obligation
x Property Tax	68.24	0.00	CSL challenged arrear demand notices issued by Kochi Municipal corporation for the period from 2013-14 to 2022-23 towards revised property tax for 14 old buildings of CSL by filing W.P (C) No. 12758/2023 before the Hon'ble High Court Kerala. The Hon'ble High Court Kerala vide its order dated 10 April 2023 granted interim stay of demand notices until further orders
xi Indemnity Bond to Customs Authorities	22054.15	15347.87	Bond under Customs (Imports of Goods at Concessional Rate of Duty) rules 2017
xii Indemnity Bond to Govt of India	30415.00	30415.00	Represent Indemnity Bonds given by Company to GoI towards performance of obligations under the IAC contract. Value of advance Bank Guarantee/Indemnity Bond outstanding as on Balance sheet date is included in Note 50
xiii Paint contamination claims	863.83	0.00	Claims raised against the Company for paint contamination spots observed on cars - Ghamadia & 128 yard at Mumbai Port.
B COMMITMENTS (To the extent not provided for)			
a Estimated amount of contracts remaining to be executed on capital account and not provided for:	65325.68	57,686.00	Estimated amount of contracts remaining to be executed on capital account and not provided for

CONTINGENT LIABILITIES AND COMMITMENTS in respect Udupi Cochin Shipyard Ltd., Subsidiary

The company has been sanctioned Fund based and Non Fund based limits of ₹9100 lakhs as against the security of hypothecation of current assets including inventory and trade receivables of the company.

C CONTINGENT LIABILITIES RELATED TO ERSTWHILE TEBMA PERIOD

As per the approved Resolution Plan, contingent liabilities prior to March 04, 2020 ("Effective Date") stand extinguished.

Furthermore, the Resolution Plan, among other matters via Schedule III, provides that except to the extent of the amount payable to the relevant Operational Creditors in accordance with the Resolution Plan, all liabilities of the Company relating in any manner to the period prior to the Effective Date, immediately, irrevocably and unconditionally stand fully and finally discharged and settled and there being no further claims whatsoever, and all the rights of the Operational Creditors (including Governmental Authorities) and Other Creditors to invoke or enforce the same stands waived off. It is provided that any and all legal proceedings initiated before any forum by or on behalf of any Operational Creditor (including Governmental Authorities) or any Other Creditors to enforce any rights or claims against the Company also stands extinguished.

The Company has been legally advised that while the Resolution Plan provides for extinguishment of all liabilities of the Company owed to Operational Creditors and Other Creditors as of the Insolvency Commencement Date i.e. September 25, 2018, the implementation of the Resolution Plan does not have any such similar effect over claims or receivables owed to the Company. Claims/Debts against the Company in relation to non compliances pertaining to period prior to NCLT order are noted in table below for information, even though no liability would arise for the Corporate Debtor UCSL or to the Successful Resolution Applicant, post insolvency Resolution, in respect of the these matters which are pending adjudication, in view of Section 31(1) and Section 32A of the Code and as per relevant Judgments of the Hon'ble Supreme Court. As per the aforesaid resolution plan, these liabilities stands extinguished. Accordingly, the management has assessed that the possibility of outflow of resources embodying economic benefits with respect to such claims / debts is remote.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Particulars	As at Mar 31, 2023 (₹ in lakhs)	As at Mar 31, 2022 (₹ in lakhs)	Brief Description of the nature and obligation
i. Tax Matters			
Director General of Foreign Trade (DGFT)			
- Where the Company is in appeal (Writ petition pending before Honourable High court of Madras)	414.38	-	- Company has filed Writ petition against impugned orders by DGFT imposing penalty, customs duty and Interest under Foreign Trade Act issued to explain the reasons as to why Petitioner's name should not be placed under Denied Entity List refusing issuance of further licences/authorizations and other export benefits in terms of Section 9(2) of the Foreign Trade (Development and Regulation) Act, 1992 Interim Stay Order granted on 03 August 2022 until further orders.
- Where the Company is in appeal (Writ petition pending before Honourable High court of Madras)	694.00	-	- Show cause notices issued to explain the reasons as to why Petitioner's name should not be placed under Denied Entity List refusing issuance of further licences/authorizations and other export benefits in terms of Section 9(2) of the Foreign Trade (Development and Regulation) Act, 1992 by DGFT. Interim Stay Order granted on 03 August 2022 until further orders.
- Where the Company is in appeal (Writ petition pending before Honourable High court of Karnataka)	-	-	- Show cause notices issued alleging that there was failure to achieve positive net foreign exchange (NFE) of ₹ 918.90 lakhs in respect of the years 2011-12 to 2015-16 and also a failure to file the Annual Progress Report (APR) in respect of the Malpe EOU for the years 2016-17 onwards resulting in non-fulfilment amounted to a contravention of the FTP and thereby rendered the Petitioner liable to imposition of penalty under Sec. 11(2) of the FT (D&R) Act. The Hon'ble High court has granted an interim stay of all proceedings pursuant to the show cause notice vide order date 15 Dec 2021. The Respondents have filed their counter affidavit in the matter and the matter is posted for filing of rejoinder by the Petitioners.
- Where the Department has served Show cause notices	314.07	-	- Show cause notices issued to explain the reasons as to why Petitioner's name should not be placed under Denied Entity List refusing issuance of further licences/authorizations and other export benefits in terms of Section 9(2) of the Foreign Trade (Development and Regulation) Act, 1992 by DGFT. UCSL representative has attended personal hearing and submitted reply. Order awaited.
Others			
Entry Tax	76.90	76.90	Pending before Karnataka Appellate Tribunal & Supreme court, pertaining to years 2006-07, 2009-10, 2010-11 & 2012-13. As per NCLT order, these liabilities have extinguished. Also, no demand notices received after takeover.
Central / State Excise / Service Tax / Customs / Goods and service tax	1,234.65	1,234.65	Pending before CESTAT Bangalore & Commissioner of Commercial Tax West Bengal, pertaining to years 2008-09, 2009-10, 2010-11, 2012-13 & 2013-14. As per NCLT order, these liabilities have extinguished. Also, no demand notices received after takeover.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Particulars	As at Mar 31, 2023 (₹ in lakhs)	As at Mar 31, 2022 (₹ in lakhs)	Brief Description of the nature and obligation
Karnataka VAT	11.91	11.91	Order no ZD2900223010218S dtd 20/2/23 for Wrong claim of ITC for the period Sep to Dec 2017. Company has served reply stating that liabilities have extinguished as per NCLT order.
ii. Money Suits			
Plaintiff: Lokenath Enterprises	31.96	28.03	For recovery of ₹21,83,714 together with interest @ 18% per annum from September 2020 till the date of realization, for the services performed by him from 2016 till CIRP Period for which payments were not made by Resolution professional. Interlocutory Applications filed to set aside Exparte Order. At present adjourned to 14 July 2023 for hearing on IA's. Case open before Hon'ble Additional District and Sessions Court Chengalpattu (Tamil Nadu)
Plaintiff: Cochin Port trust	246.97	231.22	Port had filed a civil suit on 28/03/2014 before the Honourable Sub Court at Kochi to recover an amount of ₹105 lakhs with interest @ 15% p.a, which was incurred by CopT to rectify the manufacturing defects noticed on the tugs supplied by company. Matter pending before court for arbitration.
D CONTINGENT ASSETS			
Pursuant to Order dated 13.07.2021 passed by Honourable High court of Madras in OP365/14 for the award dated 12.12.2013 and 04.02.2014 in the arbitration proceedings between M/s Tebma Shipyards Ltd and M/s Tuticorin Port trust Ltd (Present V.O. Chidambaranar Port Authority), ₹181.94 crores were settled by the VOCPT in Dec 2022 and Company is yet to receive the interest portion for the period from 04.02.2014 to 15.12.2022 which amounts to ₹432.13 lakhs.			

49.1. CONTINGENCIES AND COMMITMENTS

(I) Income Tax Assessments

The Income Tax Assessment of the company has been completed up to AY 2020-21.

Demands raised as per the assessment orders totaling ₹2,236.53 lakhs for the Assessment Years 2010-11, 2014-15, 2018-19, 2017-18, 2020-21, and 2021-22 are shown under Contingent Liability pending disposal of the appeals filed before the Commissioner of Income Tax (Appeals). The demands are mainly due to the disallowance of certain genuine claims. However, the above demands have been adjusted against the refund due for the subsequent years.

- 50.** Value of advance Bank Guarantee/Indemnity Bond outstanding as on reporting date is ₹690720.85 lakhs (Previous year ₹514684.76 lakhs)

51. Litigations :

The Company is subject to legal proceedings and claims, in the ordinary course of business. The Company's Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Company's results of operation.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

52. Corporate Social Responsibility (CSR) :

As per section 135 of the Companies Act 2013, CSR committee has been formed by the Company. The areas of CSR activity includes Health Care, Education, Social Empowerment, etc., and other areas permitted in Schedule VII to the Companies Act 2013. The utilisation of CSR funds are done as per the recommendations of CSR committee. Details of amount required to be spent and the amount utilised are given below:

			(₹ in lakhs)
(a)	Gross amount required to be spent by the Company during the period ended March 31, 2023		1645.62
(b)	Amount spent during the year		1,724.96
Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	1408.75	-	1,408.75
(ii) On purposes other than (i) above	316.21	-	316.21
	1724.96	-	1724.96

In case of Sec.135(5) Excess amount spent

				(₹ in lakhs)
Amount carry forwarded from previous financial years	Amount spent during the year	Amount charged to P&L as CSR expenses	Amount carry forwarded to succeeding financial years	
40.00	1724.96	1654.96	110.00	

As on 31 March 2023, the Company spent ₹119.34 lakhs in excess of amount required to be spent as per Companies Act, 2013 out of which ₹9.34 lakhs is charged to Profit and Loss and ₹110 lakhs is carried forwarded to succeeding financial years.

		(₹ in lakhs)
Additional Disclosures on CSR		As at March 31, 2023
(i)	Amount required to be spent by the company during the year,	1645.62
(ii)	Amount of expenditure incurred,	1724.96
(iii)	Shortfall at the end of the year,	0.00
(iv)	Total of previous years shortfall,	0.00
(v)	Reason for shortfall	NA
(vi)	Nature of CSR activities: As per section 135 of the Companies Act 2013, CSR committee has been formed by the Company. The areas of CSR activity includes Health Care, Education, Social Empowerment, etc., and other areas permitted in Schedule VII to the Companies Act 2013. The utilisation of CSR funds are done as per the recommendations of CSR committee.	
(vii)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Nil
(viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Nil

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to the Consolidated Financial Statements for the year ended March 31, 2023

53. Related Party disclosure as per Ind AS 24

Related Party	Nature of Relationship	
	2022-23	2021-22
Shri Madhu S Nair Chairman & Managing Director	Key Managerial Personnel	Key Managerial Personnel
Shri Suresh Babu N V (Upto April 30, 2021) Director (Operations)	-	Key Managerial Personnel
Shri Bejoy Bhasker Director (Technical)	Key Managerial Personnel	Key Managerial Personnel
Shri Sreejith K Narayanan (From July 21, 2022) Director (Operations)	Key Managerial Personnel	-
Shri Jose V J Director (Finance) & Chief Financial Officer	Key Managerial Personnel	Key Managerial Personnel
Shri Sanjay Bandopadhyaya (Upto July 28, 2022) Official Part Time (Nominee) Director, Government of India	Key Managerial Personnel	Key Managerial Personnel
Shri Vikram Singh (From July 28, 2022 to Nov 21, 2022) Official Part Time (Nominee) Director, Government of India	Key Managerial Personnel	-
Shri Rajesh Kumar Sinha (From Nov 21, 2022) Official Part Time (Nominee) Director, Government of India	Key Managerial Personnel	-
Shri K R Jyothishilal (Upto Jan 02, 2023) Official Part Time (Nominee) Director, Government of Kerala	Key Managerial Personnel	Key Managerial Personnel
Shri Biju Prabhakar (From Jan 02, 2023) Official Part Time (Nominee) Director, Government of Kerala	Key Managerial Personnel	-
Smt. Amrapali Prashant Salve (From Nov 26, 2021) Non-Official (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Nahar Singh Maheshwari (From Dec 01, 2021) Non-Official (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Ashok Sharma (From Nov 26, 2021) Non-Official (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Prithviraj Harichandan (From Nov 22, 2021) Non-Official (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Venkatesan M (From Nov 22, 2021) Non-Official (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Abhijit Biswas (From Dec 01, 2021) Non-Official (Independent) Director	Key Managerial Personnel	Key Managerial Personnel
Shri Syamkamal N Company Secretary	Key Managerial Personnel	Key Managerial Personnel
Shri Neelakandhan A N (UCSL) Director, (w.e.f May 03, 2022)	Key Managerial Personnel	-
Shri Rajesh Gopalakrishnan (UCSL) Director, (w.e.f May 03, 2022)	Key Managerial Personnel	-
Shri Harikumar A (UCSL) Chief Executive Officer	Key Managerial Personnel	Key Managerial Personnel
Shri Shibu John (UCSL) Chief Financial Officer, (Till November 24, 2022)	Key Managerial Personnel	Key Managerial Personnel
Shri Shankar Nataraj (UCSL) Chief Financial Officer, (w.e.f. November 25, 2022)	Key Managerial Personnel	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Related Party	Nature of Relationship	
	2022-23	2021-22
Shri Aswin Sarma M (UCSL) Company Secretary	Key Managerial Personnel	Key Managerial Personnel
Shri Shekhar Chakravarthy (HCSL) Chief Executive Officer (from 22.12.2021)	Key Managerial Personnel	Key Managerial Personnel
Shri Anjana K R (HCSL) Nominee Director (from 26.03.2022)	Key Managerial Personnel	Key Managerial Personnel
Shri.Saibal Chattopadyay (HCSL) Chief Financial Officer (from 14.02.2022)	Key Managerial Personnel	Key Managerial Personnel
Shri Kiran.K.A (HCSL) Company Secretary (From 16.10.2020)	Key Managerial Personnel	Key Managerial Personnel

Nature of transaction-Remuneration to Key Managerial Person

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Short term benefit	339.58	267.62
Post employment Benefit	40.96	29.11
Total	380.54	296.73

Nature of transaction-Advances

(₹ in lakhs)

Name of Related Party	Opening Balance as on 1/4/2022	Loans/ advances Taken during 2022-23	Repayment	Balance as on 31/03/23	Interest accrued as on 31/03/23
SURESH BABU N V					
BEJOY BHASKER	0.12	0.25	0.30	0.08	0.00
JOSE V J	0.12	0.40	0.40	0.12	0.00
SREEJITH K N	0.08	0.25	0.25	0.08	0.00
SYAMKAMAL N	0.12	0.50	0.50	0.12	0.00

Name of Related Party	Opening Balance as on 1/4/2021	Loans/ advances Taken during 2021-22	Repayment	Balance as on 31/03/22	Interest accrued as on 31/03/22
SURESH BABU N V	0.08	0.00	0.08	0.00	0.00
BEJOY BHASKER	0.08	0.40	0.35	0.13	0.00
JOSE V J	0.11	0.40	0.40	0.11	0.00
SYAMKAMAL N	0.12	0.40	0.40	0.12	0.00

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Nature of transaction-Sitting Fee to Independent Directors

(₹ in lakhs)

Particulars	As at	As at
	Mar 31, 2023	Mar 31, 2022
Amrapali Prashant Salve	2.65	0.90
Nahar Singh Maheshwari	2.25	0.70
Ashok Sharma	3.05	0.90
Prithviraj Harichandan	2.25	0.70
Venkatesan M	1.65	0.70
Abhijit Biswas	3.05	0.90
Total	14.90	4.80

Nature of transaction - Transaction with other related parties

As CSL is a Government company under the control of Ministry of Shipping, Ports and Waterways (MoPSW), the Company has availed exemption from detailed disclosures prepared under Ind AS 24 with respect to related party transactions with Government and Government related entities.

However, as required under Ind AS 24, following are the individually significant transactions:

Transactions/balances with Government and Government related entities by the parent company

(₹ in lakhs)

Particulars	As at	As at
	Mar 31, 2023	Mar 31, 2022
Amount payable to Government of India	234.19	234.19
Amount paid as dividend during the year to Govt. of India	17012.21	14855.74

In addition to the above, around 94.44 % (approx) of the companies turnover and 96.74% (approx) of trade receivables and customer advance is with respect to Government and Government related entities.

54. FINANCIAL INSTRUMENTS

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level I inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level II inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level III inputs are unobservable inputs for the asset or liability.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required).

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to the Consolidated Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

Financial Assets/ Financial Liabilities	Fair value as at		Fair Value hierarchy
	As at Mar 31, 2023	As at Mar 31, 2022	
Financial Assets			
Non Current			
(i) Investments	11.32	9.18	Level III
(ii) Loans	520.60	347.84	Level III
(iii) Others	107.34	99.49	Level III
Current			
(i) Trade Receivables	33,841.50	43,702.07	Level III
(ii) Cash & Cash equivalents	2,08,115.55	50,350.13	Level III
(iii) Bank Balances other than (ii)	2,67,686.22	2,70,916.71	Level III
(iv) Loans	99.50	68.56	Level III
(v) Others	3,421.07	1,473.75	Level III
Total Financial Assets	5,13,803.10	3,66,967.74	
Financial Liabilities			
Non Current			
(i) Borrowings	2302.20	12581.98	Level III
(ii) Lease liabilities	40446.48	39363.70	Level III
(iii) Other financial liabilities	261.22	261.22	Level III
Current			
(i) Borrowings	10,984.78	0.00	Level III
(ii) Trade Payables	21,647.95	16864.96	Level III
(iii) Lease liabilities	4999.40	3432.87	Level III
(iv) Other financial liabilities	19,344.46	18674.41	Level III
Total Financial Liabilities	99,986.49	91,179.13	

Note:

- The investments in equity instruments are not held for trading. Instead, they are held for medium or long term strategic purpose. The Company has chosen to designate these investments in equity instruments of Subsidiary at cost (as per Ind AS 27) and other equity instruments at FVTOCI (as per Ind AS 109), as the directors believe that this provides a more meaningful presentation of medium or long term strategic investments, than reflecting changes in fair value immediately in profit or loss. The investments in debt instruments are not held for trading. Upon the application of Ind AS 109, the Company has chosen to designate these investments at Amortised Cost.

Investments included in level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

There were no transfers between Level 1 and 2 in the period.

- Loans, Borrowings are at the market rates and therefore the carrying value is the fair value.
- The carrying amount of trade receivables, trade and other payables and short term loans are considered to be the same as their fair value due to their short term nature.

Difference between carrying amounts and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

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Financial Instruments by category

(₹ in lakhs)

	31st March 2023			31st March 2022		
	FVTPL	FVTOCI	Amortised Cost/ At Cost	FVTPL	FVTOCI	Amortised Cost/ At Cost
Financial Assets						
Investments (Non-current)						
-Equity instruments		11.32			9.18	
Loans			620.10			416.40
Trade receivables			33,841.50			43,702.07
Cash & Cash equivalents			2,08,115.55			50,350.13
Bank Balances			2,67,686.22			2,70,916.71
Other Financial Assets			3,528.41			1,573.23
Total Financial Assets	0.00	11.32	5,13,791.79	0.00	9.18	3,66,958.55
Financial liabilities						
Borrowings			13,286.98			12,581.98
Lease liabilities			45,445.88			42,796.57
Trade payables			21,647.95			16,864.96
Other financial liabilities			19,605.68			18,935.63
Total Financial Liabilities	0.00	0.00	99,986.49	0.00	0.00	91,179.13

55. Financial Risk Management Policy

Financial Risk Management Objective and Policies:

The Company's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables and advances from customers. The Company's principal financial assets include Investment, loans and advances, trade and other receivables and cash and bank balances that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board provides written principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, the use of derivative financial instruments and non-derivative financial instruments, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

Market Risk

Market risk is the risk that the fair value of future cash flows of financial assets will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, being mainly commodity price risk. Financial Assets affected by market risk include loans and advances, deposits and derivative financial instruments.

A. Interest rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates is minimal since the exposure relates primarily to the Company's long-term debt obligations of redeemable non-convertible bonds with fixed interest rates as disclosed in Note 23 & 28. With the current profile of fixed rate borrowing, the company is not sensitive to interest rate fluctuations.

B. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

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to the Consolidated Financial Statements for the year ended March 31, 2023

Foreign currency risk of the company is managed through a properly documented risk management policy approved by the board. The Board of directors also reviews the foreign currency exposure of the Company on quarterly basis. The company manages the net foreign currency risk mainly by entering into forward contracts with the bank as the counter party. The disclosures of outstanding forward contract as on reporting date is given in Note 48.

The company's exposure to foreign currency risk net of hedged exposure at the end of the reporting period expressed in INR (foreign currency amount multiplied by closing rate) are as follows:

Particulars	(₹ in lakhs)				
	USD	EURO	GBP	NOK	Total
Financial Assets					
31st March 2023	1885.63	27625.64	0.00	1489.18	31000.45
31st March 2022	3003.87	5283.96	0.00	0.00	8287.84
Financial Liabilities					
31st March 2023	1447.86	11935.36	17.82	145.17	13546.21
31st March 2022	3251.89	8667.46	22.61	176.87	12118.84

The sensitivity of profit/loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The sensitivity analysis includes only outstanding foreign currency denominated monetary items net of hedge accounting impact and adjusts their translation at the year-end for a 5% change in foreign currency rates, with all other variables held constant. The sensitivity rate represents management's assessment of the reasonably possible change in foreign exchange rates.

Particulars	5% change in foreign currency rates	
	As at Mar 31, 2023	As at Mar 31, 2022
Receivables		
USD - Strengthening of ₹ by 5%	0.00	0.00
USD - Weakening of ₹ by 5%	0.00	0.00
EURO - Strengthening of ₹ by 5%	0.00	0.00
EURO - Weakening of ₹ by 5%	0.00	0.00
GBP - Strengthening of ₹ by 5%	0.00	0.00
GBP - Weakening of ₹ by 5%	0.00	0.00
NOK - Strengthening of ₹ by 5%	0.00	0.00
NOK - Weakening of ₹ by 5%	0.00	0.00
Payables		
USD - Strengthening of ₹ by 5%	(72.39)	(162.59)
USD - Weakening of ₹ by 5%	72.39	162.59
EURO - Strengthening of ₹ by 5%	(596.77)	(433.37)
EURO - Weakening of ₹ by 5%	596.77	433.37
GBP - Strengthening of ₹ by 5%	(0.89)	(1.13)
GBP - Weakening of ₹ by 5%	0.89	1.13
NOK - Strengthening of ₹ by 5%	(7.26)	(8.84)
NOK - Weakening of ₹ by 5%	7.26	8.84

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

Particulars	5% change in foreign currency rates	
	As at Mar 31, 2023	As at Mar 31, 2022
Profit Before Tax		
USD - Strengthening of ₹ by 5%	72.39	162.59
USD - Weakening of ₹ by 5%	(72.39)	(162.59)
EURO - Strengthening of ₹ by 5%	596.77	433.37
EURO - Weakening of ₹ by 5%	(596.77)	(433.37)
GBP - Strengthening of ₹ by 5%	0.89	1.13
GBP - Weakening of ₹ by 5%	(0.89)	(1.13)
NOK - Strengthening of ₹ by 5%	7.26	8.84
NOK - Weakening of ₹ by 5%	(7.26)	(8.84)

C. Commodity Price Risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of steel, major machineries, equipments etc. The Company primarily purchases its raw materials in the open market from third parties. The Company is therefore subject to fluctuations in prices for the purchase of steel, being the primary raw material inputs. The Company aims to sell the finished products based on firm contract which is negotiated after due consideration of the expected raw material prices. Therefore, the Company plans its purchases closely to optimise the price. Further since the products are of a specific nature which does not entail competition and is heterogeneous in nature due to its specification, the company's exposure to commodity risk is minimal.

The following table details the Company's sensitivity to a 5% movement in the input price of steel. The sensitivity analysis includes only 5% change in commodity prices for quantity consumed during the year, with all other variables held constant.

(₹ in lakhs)

Commodity	Increase of 5 %		Decrease of 5 %	
	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2023	As at Mar 31, 2022
Steel	202.79	102.92	(202.79)	(102.92)

Liquidity Risk

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk may arise from an inability to sell a financial asset quickly at a rate close to its fair value.

The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents provides liquidity in the short-term and long- term and manages the liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities as depicted below.

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(₹ in lakhs)

Particulars	31st March 2023			31st March 2022		
	< 1 year	1-3 years	> 3 years	< 1 year	1-3 years	> 3 years
Financial Assets						
Non-current investments			11.32			9.18
Loans	250.90	781.63	1.29	112.28	233.00	2.56
Other Financial Assets	0.00	6.44	84.23		21.70	2817.73
Trade Receivables	33841.50			39040.78		
Cash and Cash Equivalents	208115.55			141505.80		
Bank Balances other than cash and cash equivalents	267686.22			179761.04		
Loans	99.50			68.56		
Other Financial Assets	3421.07			3395.10		
Total Financial Assets	513414.75	788.06	96.85	363883.56	254.70	2829.48
Financial Liabilities						
Borrowings			2302.20		10000.00	2302.20
Lease Liabilities	40446.48				253.62	39110.08
Other financial liabilities			261.22			261.22
Borrowings	10984.78					
Lease Liabilities	4999.40			3432.87		
Trade payables	21647.95			37613.16		
Other financial liabilities	19344.46			18956.39		
Total Financial Liabilities	97423.06	0.00	2563.41	60002.42	10253.62	41673.49

Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its exposure to other financial assets, including deposits with banks and financial institutions, derivative instruments, and other financial instruments. The company has adopted a policy of only dealing with counterparties that have sufficiently high credit rating in order to manage the credit risk. Trade receivables mainly comprise of government entities and the cash and cash equivalents and derivative instruments are maintained with banks and recognised financial institutions with high credit rating.

For trade receivables, as a practical expedient the company computes credit loss allowance based on a provision matrix which considers historically observed default rates over expected life of trade receivables, adjusted for forward looking estimates. The movement in expected credit loss allowance is disclosed in Note 14.

The Company's maximum exposure to the credit risk for the components of Balance Sheet as 31st March 2023 and 31st March 2022 is the carrying amounts mentioned in Note no 14 and as stated in Note 55, around 94.44%(approx) of company's turnover and 96.74% (approx.) of trade receivables and customer advance it with respect to Government and Govt. regulated entities. The maximum exposure relating to financial derivative instruments and financial guarantees is disclosed in Note 48 and Note 49 respectively.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

56. Disclosure pursuant to Ind AS 1 “Presentation of financial statements”:

a. Current assets expected to be recovered within twelve months and after twelve months from the reporting date

(₹ in lakhs)

Particulars	31st March 2023			31st March 2022		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Inventories	37,299.71		37,299.71	29,836.03		29,836.03
Trade receivables	33,841.50		33,841.50	43,702.07		43,702.07
Cash and cash equivalents	2,08,115.55		2,08,115.55	50,350.13		50,350.13
Bank balances	2,67,686.22		2,67,686.22	2,70,916.71		2,70,916.71
Loans	99.50		99.50	68.56		68.56
Other Financial assets	3,421.07		3,421.07	1,473.75		1,473.75
Current tax assets (net)	7,147.48		7,147.48	-		-
Other current assets	1,56,051.92		1,56,051.92	1,87,734.01		1,87,734.01

b. Current liabilities expected to be settled within twelve months and after twelve months from the reporting date:

(₹ in lakhs)

Particulars	31st March 2023			31st March 2022		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Borrowings	10,984.78		10,984.78	-		-
Lease Liabilities	4,999.40		4,999.40	3,432.87		3,432.87
Trade payables	21,647.95		21,647.95	16,864.96		16,864.96
Other financial liabilities	19,344.46		19,344.46	18,674.41		18,674.41
Other current liabilities	415,106.90		4,15,106.90	2,56,129.42		2,56,129.42
Provisions	40,020.04		40,020.04	48,602.42		48,602.42
Current tax liabilities (net)	0.00		-	2,566.09		2,566.09

57. Segment Reporting

The Company has identified two major operating segments viz, Shipbuilding and Repair of ships/ offshore structures. Segment wise analysis has been made on the above basis and amounts allocated on a reasonable basis.

(₹ in lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Segment Assets		
Ship building	430,700.12	258,545.34
Ship Repair	282,235.51	287,038.89
Unallocated	289,156.00	295,788.30
Total	1,002,091.63	841,372.53
Segment Liability		
Ship building	316,976.72	155,917.43
Ship Repair	49,020.33	64,318.72
Unallocated	193,329.94	181,818.20
Total	5,59,326.99	4,02,054.35

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Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Segment Revenue		
Ship building	179297.44	251200.83
Ship Repair	57158.04	67893.87
Unallocated	20701.25	26281.60
Total	257156.73	345376.30
Segment Result		
Ship building	19843.32	57776.43
Ship Repair	9856.53	12041.89
Unallocated	12143.85	6775.87
Total	41843.70	76594.19

The Company has two major business segments – “Ship Building” and “Ship Repair”. Revenue under Ship building includes ₹ 155800.89 lakhs (Previous year: ₹ 204473.56 lakhs) from one customer (Previous year: one customer) having more than 10 % revenue of the total revenue, and for Ship repair includes ₹193571.56 lakhs (Previous year: ₹ 40786.31 lakhs) from two customers (Previous year: two customers) having more than 10% revenue of the total revenue.

58. Capital Management

The company’s objective when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

For the purpose of capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The company is not subject to any externally imposed capital requirements.

To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return on capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings (including bonds).

Particulars	(₹ in lakhs)	
	As at Mar 31, 2023	As at Mar 31, 2022
Long term borrowings	2302.20	12581.98
Net Debt	13286.98	12581.98
Equity Share Capital	13154.04	13154.04
Other equity	429610.60	426164.14
Total Equity	442764.64	439318.18
Gearing Ratio	3.00%	2.86%

Notes

 to the Consolidated Financial Statements for the year ended March 31, 2023

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

Particulars	Numerator	Denominator	As at Mar 31, 2023	As at Mar 31, 2022	% change	Remarks if change is more than 25%
(a) Current Ratio,	Current Assets	Current Liabilities	1.39	1.68	(17.05%)	-
(b) Debt-Equity Ratio,	Total Debt	Shareholder's Equity	0.03	0.03	0.03%	-
(c) Debt Service Coverage Ratio,	*Earnings available for debt service	Debt Service	5.59	8.01	(30.22%)	Due to reduction in Earnings available for debt service
(d) Return on Equity Ratio,	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.07	0.13	(46.85%)	Due to reduction in Net Profits after taxes
(e) Inventory turnover ratio,	Revenue from Operations	Average Inventory	7.04	8.62	(18.28%)	-
(f) Trade Receivables turnover ratio,	Net Credit Sales	Avg. Accounts Receivable	4.78	6.72	(28.87%)	Due to reduction in Net credit sales
(g) Trade payables turnover ratio,	Net Credit Purchases	Average Trade Payables	6.21	6.67	(6.90%)	-
(h) Net capital turnover ratio,	Net Sales	Working Capital	1.17	1.36	(13.45%)	-
(i) Net profit ratio,	Net Profits	Net Sales	0.13	0.18	(27.09%)	Due to reduction in Net Profits after taxes
(j) Return on Capital employed,	Earning before interest and taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability	0.10	0.19	(45.59%)	Due to reduction in Earnings before interest and taxes
(k) Return on investment.-Equity	Return from Equity investments	Avg Equity investments	0.00	0.00	0.00%	-
(l) Return on investment.-Debt	Return from Debt investments	Avg Debt investments	0.00	0.00	0.00%	-

*Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

59 .Details of Subsidiaries

Name	Relationship	Nature of activity	Principal place of business	As at 31st March 2021 & 31st March 2022 Proportionate ownership in %
1. Hooghly Cochin Shipyard Limited	Subsidiary	Construction of vessels of various types and repairs thereof	Kolkata, India	100%
2. Udupi Cochin Shipyard Limited	Subsidiary	Construction of vessels of various types and repairs thereof	Malpe, India	100%

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

60. Summarised financial information of subsidiary company is as follows:

The amounts disclosed for subsidiary are before inter-company eliminations

A. HOOGLY COCHINSHIPYARD LIMITED

	(₹ in lakhs)	
Summarised Balance sheet	2022-23	2021-22
Non-current assets	17407.65	17374.21
Current assets	8700.86	4498.83
Total Assets	26108.51	21873.04
Non- Current liabilities	13752.32	13730.17
Current liabilities	5808.19	4161.20
Total Liabilities	19560.51	17891.37
Net Assets	6548.00	3981.67
Accumulated NCI	0.00	0.00

	(₹ in lakhs)	
Summarised Statement of Profit & Loss	2022-23	2021-22
Revenue	1702.06	41.78
Profit/(Loss) for the year	(2033.59)	(283.61)
Other Comprehensive Income	(0.08)	0.00
Total Comprehensive Income	(2033.67)	(283.61)
Profit/(Loss) attributable to NCI	0.00	0.00

	(₹ in lakhs)	
Summarised Cashflows	2022-23	2021-22
Cashflows from operating activities	(141.18)	(211.34)
Cashflows from investing activities	(813.65)	(2988.50)
Cashflows from financing activities	4061.06	2771.97
Net increase/decrease in cash and cash equivalents	3106.23	(427.87)

B. UDUPI COCHIN SHIPYARD LIMITED (Formerly Tebma Shipyard Limited)

	(₹ in lakhs)	
Summarised Balancesheet	2022-23	2021-22
Non-current assets	14587.36	13699.44
Current assets	7469.69	3411.27
Assets held for sale	0.00	13.59
Total Assets	22057.05	17124.30
Non-current liabilities	2108.10	1569.93
Current liabilities	5883.34	3122.84
Total Liabilities	7991.44	4692.78
Net Assets	14065.61	12431.53
Accumulated NCI	0.00	0.00

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

Summarised Statement of Profit & Loss	2022-23	2021-22
Revenue	3917.45	641.98
Profit/(Loss) for the year	(866.54)	(1294.13)
Other Comprehensive Income	0.62	0.00
Total Comprehensive Income	(865.92)	(1294.13)
Profit/(Loss) attributable to NCI	0.00	0.00

(₹ in lakhs)

Summarised Cashflows	2022-23	2021-22
Cashflows from operating activities	(713.45)	(1045.38)
Cashflows from investing activities	(2114.61)	(860.47)
Cashflows from financing activities	2180.40	959.37
Net increase/decrease in cash and cash equivalents	(647.66)	(946.48)

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

61. INFORMATION REQUIRED BY SCHEDULE III OF THE COMPANIES ACT 2013, WITH RESPECT TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in lakhs)

Name of the entity in the group	Ownership in % As at March 31, 2022	Net Asset		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income		As % of Consolidated Total Comprehensive income
		Proportionate Share	As % of Consolidated Net Asset	Share in Profit/ (Loss)	As % of Consolidated Profit/ (Loss)	Share in Other Comprehensive Income	As % of Consolidated Other Comprehensive Income	Share in Total Comprehensive Income	As % of Consolidated Total Comprehensive income	
Cochin Shipyard Limited	100.00%	442341.87	99.90%	33448.86	109.77%	(3675.49)	100.00%	29773.37	111.11%	
Subsidiary										
Hooghly Cochin Shipyard Limited	100.00%	6548.00	1.48%	(2033.59)	(6.67%)	(0.08)	0.00%	(2033.67)	(7.59%)	
Udupi Cochin Shipyard Limited	100.00%	14065.61	3.18%	(866.54)	(2.84%)	0.62	(0.02%)	(865.92)	(3.23%)	
Consolidation adjustments		(20190.84)	(4.56%)	(77.83)	(0.26%)	(0.00)	0%	(77.83)	(0.29%)	
Grand Total		442764.64	100%	30470.91	100.00%	(3674.95)	100.00%	26795.94	100.00%	

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

- 62.** Consumption of imported goods/services for the year amounts to ₹74122.85 lakhs (₹92189.67 lakhs in previous year).
- 63.** No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder,
- 64.** The holding company has no borrowings from banks or financial institutions on the basis of security of current assets. The company has been sanctioned aggregate Non-Fund based limits in excess of ₹5 Crores by the multiple banks, which are availed as and when required. It has also been sanctioned aggregate fund based limits in excess of ₹5 Crores by multiple banks which has not been availed by the company. The company is not required to file any quarterly returns or statements with the banks.
- The HCSL subsidiary has borrowings from banks on the basis of security of current assets. The company has complied with the requirement of filing of monthly / quarterly returns/ statements of current assets with the bank or financial institutions as applicable, and these returns were in agreement with the books of accounts for the year ended March 31, 2023 and March 31, 2022.
- The UCSL subsidiary has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with the banks or financial institutions are in agreement with the books of accounts.
- 65.** The company is not declared wilful defaulter by any bank or financial Institution or other lender, Where the company has any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 66.** The company has no transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- 67.** The Company has entered agreement with Andaman & Nicobar Administration on a long term license basis for a period of 30 years from November 2019 onwards for developing, designing, constructing, modernising, operating, maintaining and managing the existing shiprepair facility which is named as CSL-AN Ship Repair Unit (CANSRU)
- 68.** There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- 69.** 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, 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. 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, 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.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 70.** The company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence disclosures relating to it are not applicable.
- 71.** In the case of contracts/ sub-contracts, wherever final bills are not submitted by the contractors for the work done as at the close of the year, liability is estimated and provided based on the work done.
- 72.** The Company has made adequate provision towards material foreseeable losses wherever required, in respect of long term contracts. The Company do not have any long term derivative contracts for which there were any material foreseeable losses.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

73. Figures in brackets denote negative figures.

74. Previous year figures have been regrouped and classified wherever necessary to conform to the current year presentation

Corporate overview and Significant Accounting Policies	1-2
Notes to the Consolidate Financial Statements	3-74

The accompanying notes are an integral part of these financial statements
As per our report attached

For and on behalf of Board of Directors

For M/s Anand & Ponnappan.
Chartered Accountants
(Firm Registration No.000111S)

SYAMKAMAL N
Company Secretary
Membership No. A25337

BEJOY BHASKER
Director (Technical)
DIN - 08103825

C. KRISHNAN MENON
Partner
(Membership Number: 074736)
Kochi, dated May 19, 2023

JOSE V J
Director (Finance) & Chief Financial Officer
DIN - 08444440
Kochi, dated May 19, 2023

MADHU S NAIR
Chairman and Managing Director
DIN - 07376798

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Annexure FORM AOC 1

**Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014**

Part "A" : Subsidiaries

Sl No	Particulars	Details	Details
1	Sl No	1	2
2	Name of the subsidiary	Hooghly Cochin Shipyard Ltd	Udupi Cochin Shipyard Ltd
3	The date since when subsidiary was acquired	October 23, 2017	September 15, 2020
4	Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	No	No
5	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable
6	Share Capital	₹9600 lakhs	₹9000 lakhs
7	Reserves and Surplus	₹(3052) lakhs	₹5065.61 lakhs
8	Total Assets	₹26,108.51 lakhs	₹22057.05 lakhs
9	Total Liabilities	₹26,108.51 lakhs	₹22057.05 lakhs
10	Investments	Nil	Nil
11	Turnover	₹1702.06 lakhs	₹3917.45 lakhs
12	Profit Before Taxation	₹(1780.25) lakhs	₹(1148.88) lakhs
13	Provision for taxation		
	(i) Current Tax		₹0.38 lakhs
	(ii) Deferred Tax	₹253.34 lakhs	₹(282.72) lakhs
14	Profit after taxation	₹(2033.59) lakhs	₹(865.54) lakhs
15	Proposed Dividend	Nil	Nil
16	Extent of shareholding (in %)	100%	100%

Part "B": Associates and Joint Ventures :Not applicable

As per our report attached
For M/s Anand & Ponnappan.
Chartered Accountants
(Firm Registration No.000111S)

C. KRISHNAN MENON
Partner
(Membership Number: 074736)
Kochi, dated May 19, 2023

For and on behalf of Board of Directors
SYAMKAMAL N
Company Secretary
Membership No. A25337

JOSE V J
Director (Finance) & Chief Financial Officer
DIN - 08444440
Kochi, dated May 19, 2023

BEJOY BHASKER
Director (Technical)
DIN - 08103825

MADHU S NAIR
Chairman and Managing Director
DIN - 07376798



COCHIN SHIPYARD LIMITED

Corporate Identity Number: L63032KL1972GOI002414
Registered Office: Administrative Building, Cochin Shipyard Premises
 Perumanoor, Ernakulam, Kerala – 682015
Tel: +91 (484) 2501306 **Fax:** +91 (484) 2384001
E-mail: secretary@cochinshipyard.in **Website:** www.cochinshipyard.in

NOTICE

Notice is hereby given that, the 51st Annual General Meeting (AGM) of Cochin Shipyard Limited (CSL) will be held on Thursday, September 28, 2023 at 11:00 hrs. IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors’ and the Auditors’ thereon.
2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2023, together with the Report of the Auditors’ thereon.
3. To confirm the payment of first interim dividend of ₹7.00 (70%) per equity share and second interim dividend of ₹7.00 (70%) per equity share and to declare final dividend of ₹3.00 (30%) per equity share (face value ₹10/-) for the financial year 2022-23.
4. To appoint a Director in place of Shri Madhu Sankunny Nair (DIN: 07376798), who retires by rotation and being eligible, offers himself for re-appointment.
5. To authorize the Board of Directors to fix the remuneration of the auditors appointed by the Comptroller and Auditor General of India (C&AG) for the financial year 2023-24.

Special Business

6. Ratification of Remuneration of Cost Auditors

To consider and if thought fit, to pass the following resolution as ordinary resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), as amended from time to time, the Company hereby ratifies the remuneration of ₹1,50,000/- (Rupees One Lakh Fifty Thousand Only) per annum plus applicable tax payable to M/s. Rajendran Mani and Varier, Cost Accountants (Firm Registration No.: 000006), who are appointed by the Board of Directors as Cost Auditors of the Company to conduct audits relating to cost records of the Company under the Companies (Cost Records and Audit) Rules, 2014 for the year ending March 31, 2024.”

“**RESOLVED FURTHER THAT** any one of the Directors or the Company Secretary of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the above resolution.”

7. Approval of extension of tenure of Shri Bejoy Bhasker (DIN: 08103825), as Director (Technical)

To consider and if thought fit, to pass the following resolution as ordinary resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules, if any, made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company and Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the shareholders be and is hereby accorded for the extension of tenure of Shri Bejoy Bhasker (DIN: 08103825), as Director (Technical) of the Company

for a further period from April 05, 2023 till the date of his superannuation i.e., May 31, 2025, or until further orders, whichever is earlier, by the Government of India vide Ministry of Ports, Shipping and Waterways letter no. SY-11012/1/2022-CSL dated February 15, 2023, on the terms and conditions as stipulated by the Government of India, and whose office is liable to retire by rotation.”

8. Approval of appointment of Shri Rajesh Kumar Sinha IAS (DIN: 05351383) as Part-time official (Nominee) Director

To consider and if thought fit, to pass the following resolution as ordinary resolution:

“**RESOLVED THAT** pursuant to the provisions of Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions, if any, of the Companies Act, 2013 read with Rules, if any, made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the shareholders be and is hereby accorded for the appointment of Shri Rajesh Kumar Sinha IAS (DIN: 05351383), Additional Secretary, Ministry of Ports, Shipping and Waterways, Government of India, as Part-time official (Nominee) Director on the Board of the Company, in place of Shri Vikram Singh, by the President of India through the Ministry of Ports, Shipping and Waterways letter no. SY-11012/1/2017-CSL dated November 21, 2022 under Section 161(3) of the Companies Act, 2013 read with Articles 21(a) and 21(c) of the Articles of Association of the Company, with effect from November 21, 2022 until further orders and on the terms and conditions as stipulated by the Government of India.”

9. Approval of appointment of Shri Biju Prabhakar IAS (DIN: 03093072) as Part-time official (Nominee) Director

To consider and if thought fit, to pass the following resolution as ordinary resolution:

“**RESOLVED THAT** pursuant to the provisions of Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions, if any, of the Companies Act, 2013 read with Rules, if any, made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the shareholders be and is hereby accorded for the appointment of Shri Biju Prabhakar IAS (DIN: 03093072), Secretary, Transport Department, Government of Kerala, as Part-time official (Nominee) Director on the Board of the Company, in place of Shri Jyothilal K R IAS, by the President of India through the Ministry of Ports, Shipping and Waterways letter no. SY-11012/1/2017-CSL dated January 02, 2023 under Section 161(3) of the Companies Act, 2013 read with Articles 21(a) and 21(c) of the Articles of Association of the Company, with effect from January 02, 2023 until further orders and on the terms and conditions as stipulated by the Government of India.”

By Order of the Board of Directors

Kochi
September 05, 2023

Syamkamal N
Company Secretary
M. No. A25337

Notes:

1. The Ministry of Corporate Affairs (“MCA”) vide its General Circular No. 10/2022 dated December 28, 2022 read with General 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 compliance with the provisions of the Companies Act, 2013, MCA Circulars, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and SEBI Circulars, the 51st AGM of the Company is being held through VC/ OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM.
2. The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed and forms part of the Notice.
3. The relevant details, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”), in respect of Directors seeking appointment/ re-appointment/ extension at this AGM is annexed to this Notice.
4. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since, this AGM is being held pursuant to the MCA Circulars through VC/ OAVM, physical attendance of Members has been dispensed with and hence the facility for appointment of proxies by the Members will not be available for the AGM. Therefore, the proxy form, attendance slip and route map are not annexed to this Notice. However, in pursuance of Section 112 and 113 of the Companies Act, 2013, representatives of the Members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/ OAVM and cast their votes through e-voting.
5. Annual Report for the year 2022-23 including the audited financial statements for the year ended March 31, 2023, is being sent by e-mail to those Members whose e-mail addresses are registered with Company's RTA/ Depository Participants (DP). Further, the hard copies of the same would also be made available to the Members on request. Members may forward their request for hard copy to secretary@cochinshipyard.in. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.cochinshipyard.in, websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of National Securities Depositories Limited (NSDL) at www.evoting.nsdl.com.
6. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized mode with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical mode are requested to consider converting their holdings to dematerialized mode. Members can contact the Company or Company's Registrar and Transfer Agents (RTA), Link Intime India Private Limited for assistance in this regard.
7. Members who have not yet registered/ updated their e-mail addresses are requested to register/ update the same with their Depository Participants (DP) in case the shares are held in demat mode and with Link Intime India Private Limited, Company's RTA, in case the shares are held in physical mode. Members are requested to register/ update their e-mail addresses to enable the Company/ RTA to send communications through e-mail.
8. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC etc.

For shares held in demat mode: To their DPs.

For shares held in physical mode: To Link Intime India Private Limited, Company's RTA, in the prescribed Form ISR-1. The said form is available at https://cochinshipyard.in/investor/investor_titles/56.

Members holding shares in physical mode may kindly note that SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 has mandated the submission of PAN, KYC and nomination details by September 30, 2023. Those Members who have not yet submitted the said details may submit the same with the Company's RTA, Link Intime India Private Limited. The detailed instructions for the same are available at <https://www.linkintime.co.in/home-KYC.html>.

9. As per the provisions of Section 72 of the Companies Act, 2013, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13 prescribed under Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014. If a Member desires to cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form No. SH-14 prescribed under Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014. On request, the necessary forms can be obtained from the Company's RTA, Link Intime India Private Limited. Members are requested to submit the said details to their DP in case the shares are held in demat mode and to Link Intime India Private Limited in case the shares are held in physical mode.

10. Book Closure and Dividend

- (i) The Register of Members and the Share Transfer Books of the Company will be closed from Friday, September 22, 2023 to Thursday, September 28, 2023, both days inclusive.
- (ii) The final dividend for the financial year 2022-23, as recommended by the Board of Directors, if approved at the AGM, will be paid, subject to deduction of tax at source, by October 27, 2023 i.e., within 30 days from the date of approval to those Members whose names appear in the Register of Members/ Depositories' records, as the case may be, at the close of business hours on Thursday, September 21, 2023.
- (iii) Company will be making the dividend payment by electronic mode wherever possible and by dividend warrants/ demand drafts in other cases. In respect of shares held in demat mode, the dividend will be paid on the basis of beneficial ownership details furnished by the Depositories (NSDL & CDSL) as at the close of business hours on Thursday, September 21, 2023. Members holding shares in demat mode may note that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its RTA cannot act on any request received directly from the Members holding shares in demat mode for any change of bank particulars or bank mandate. Such changes are to be advised only to the Depository Participant of the Members. Members who have changed their bank account after opening the demat account and want to receive dividend in an account other than the one specified while opening the demat account, are requested to change/ correct their bank account details (including the nine digit Bank code) with their Depository Participant, before September 21, 2023.
- (iv) As per the Finance Act, 2020, dividend paid and distributed by a Company will be taxable in the hands of Shareholders with effect from April 01, 2020. Therefore, the Company will be required to deduct taxes at source (TDS) at the rates applicable to each category of Shareholder under the provisions of the Income Tax Act, 1961 as explained below:
 - A. Resident Shareholders**
 - (a) TDS would not apply in case of individuals if the aggregate dividend distributed to them during the financial year 2023-24 does not exceed ₹5,000.
 - (b) Tax at source will not be deducted in cases where a Shareholder provides
 - Form 15G (applicable to any person other than a Company or a Firm)
 - Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met.
 - The Form 15H/ 15G is available for download at the Company's website at www.cochinshipyard.in.
 - (c) Tax will be deducted at source ("TDS") under Section 194 of the Income Tax Act, 1961 @ 10% on the amount of dividend payable unless exempted under any of its provisions.
 - (d) In case of "specified person" under Section 206AB of the Income Tax Act, the TDS shall be deducted at twice the rates specified in the relevant provisions of the Income Tax Act, 1961.
 - (e) If PAN is not submitted, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961.
 - (f) Shareholders are requested to update their PAN with the Company's RTA, Link Intime India Private Limited (in case of shares held in physical mode) and Depository Participants (in case of shares held in demat mode).
 - (g) Shareholders holding shares under multiple accounts under different status/ category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.
 - (h) Shareholders are requested to kindly verify the correctness of the records and update the same with the Depository Participant (if shares are held in demat mode) or the Company's RTA (if shares are held in physical mode), at the earliest.

- (i) Eligible Shareholders are also requested to submit the following documents as prescribed under the Income Tax Act, 1961 latest by September 21, 2023 at the portal of the Company's RTA, Link Intime India Private Limited at <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> to avail the benefit of exemption or lower deduction from withholding tax.

Category	Documents required	Remarks
General	Self-attested copy of withholding tax certificate for lower deduction u/s 197	If lower rate of tax is to be claimed
Individual	Duly signed Form 15G or 15H (as may be applicable) along with the self-attested copy of the PAN card	If tax exemption is to be claimed
Insurance Company	Self-declaration* that it has full beneficial interest with respect to shares owned, along with self-attested copy of PAN card and registration certificate	If tax exemption is to be claimed
Mutual Funds	Self-declaration* that they are specified in Section 10(23D) of the Income Tax Act, 1961, along with self-attested copy of PAN card and registration certificate	If tax exemption is to be claimed
Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income	Self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN card	If tax exemption is to be claimed
Alternative Investment Fund (AIF) established/ incorporated in India	Self-declaration* that its income is exempt under Section 10(23FBA) of the Income Tax Act, 1961 and that they are governed by SEBI Regulations as Category I or Category II AIF along with self-attested copy of the PAN card and registration certificate	If tax exemption is to be claimed

*The format of self-declaration is available at Company's website at www.cochinshipyard.in.

B. Non-Resident Shareholders

- (a) Tax is required to be deducted at source in accordance with the provisions of Section 195 of the Income Tax Act, 1961 at applicable rates in force. As per the relevant provisions of the Income Tax Act, 1961, the tax shall be deducted at source @ 20% (plus applicable surcharge and cess) on the amount of dividend payable.
- (b) Shareholders are requested to kindly verify the correctness of the records and update the same with the Depository Participant (if shares are held in demat mode) or the Company's RTA (if shares are held in physical mode), at the earliest.
- (c) Eligible Shareholders are also requested to submit the following documents as prescribed under the Income Tax Act, 1961 latest by September 21, 2023 at the portal of the Company's RTA, Link Intime India Private Limited at <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> to avail the benefit of Double Taxation Avoidance Agreement (DTAA) between India and their country of residence.

Category of Shareholder	Documents	
Investments made by routes other than FPI route	Individual	<ul style="list-style-type: none"> • Self-attested copy of Tax Residency Certificate issued by the country in which the Shareholder is a resident • Form 10F* • Self-declaration* • Self-attested copy of lower/ nil withholding tax certificate provided under Section 197 of the Income Tax Act, 1961, if any.
	Partnerships, Trusts	<ul style="list-style-type: none"> • Self-attested copy of Tax Residency Certificate issued by the country in which the Shareholder is a resident • Form 10F* • List of partners/ beneficiaries, their respective shares in the income of the partnership/ trust and their respective residential status (if not forming part of TRC) • Self-declaration* • Self-attested copy of lower/ nil withholding tax certificate provided under Section 197 of the Income Tax Act, 1961, if any.
	Companies	<ul style="list-style-type: none"> • Self-attested copy of Tax Residency Certificate issued by the country in which the Shareholder is a resident • Form 10F* • Proof of satisfaction of LoB wherever required as per treaty (for example, in case the foreign company is registered on the stock exchange of the other country – the listing certificate of the company) • Self-declaration* • Self-attested copy of lower/ nil withholding tax certificate provided under Section 197 of the Income Tax Act, 1961, if any.
Investments made through FPI route	FPIs (if shares are held under the FDI regime)	<ul style="list-style-type: none"> • Self-attested copy of Tax Residency Certificate issued by the country in which the Shareholder is a resident • Form 10F* • Proof of satisfaction of LoB wherever required as per treaty (for example, in case the foreign company is registered on the stock exchange of the other country – the listing certificate of the company) • Self-declaration* • Self-attested copy of lower/ nil withholding tax certificate provided under Section 197 of the Income Tax Act, 1961, if any.
	FPIs (other than above)	<ul style="list-style-type: none"> • Self-attested declaration that investment has been made under FPI route • Self-attested copy of lower/ nil withholding tax certificate provided under Section 197 of the Income Tax Act, 1961, if any.

*The Form 10F and the format of Self-declaration is available at Company's website at www.cochinshipyard.in.

- (d) Kindly note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by non- resident shareholders.
- (e) Tax shall be deducted at source @ 20% (plus applicable surcharge and cess) on dividend paid to Foreign Institutional Investors and Foreign Portfolio Investors under Section 196D of the Income Tax Act, 1961. Such TDS rate shall not be reduced on account of the application of the lower DTAA rate, if any.

- (v) Kindly note that the aforementioned documents should be uploaded at the portal of the Company's RTA, Link Intime India Private Limited at <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> latest by September 21, 2023. Documents submitted through e-mail or any other form will not be considered.
- (vi) No communication on the tax determination/ deduction shall be entertained after September 21, 2023.
- (vii) In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/ documents, Shareholders would still have the option of claiming refund of the excess tax deducted at the time of filing the income tax return by consulting a tax advisor. No claim shall lie against the Company for such taxes deducted.
- (viii) Shareholders are requested to register/ update their e-mail addresses with their Depository Participant (DP) in case the shares are held in demat mode and with Link Intime India Private Limited, Company's RTA, in case the shares are held in physical mode to enable the Company to send Form 16A with respect to the TDS on Dividend. Shareholders will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://eportal.incometax.gov.in>.
- (ix) **Disclaimer:** *This communication shall not be treated as an advice from the Company. For the tax related matters Shareholders should obtain the tax advice from a tax professional.*

11. Unclaimed Dividend

- (i) Members are hereby informed that under the Companies Act, 2013, the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of the Investor Education and Protection Fund ("IEPF") established by the Central Government.
 - (ii) Further, pursuant to the provisions of Section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ("IEPF Rules"), all the shares on which dividend remain unpaid/ unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority as notified by the Ministry of Corporate Affairs. Hence, the Company urges all the Shareholders to encash/ claim their respective dividend during the prescribed period.
12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
 13. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
 14. Members are requested to:
 - (i) Intimate to the Company/ RTA, changes if any, in their respective addresses along with the pincode at an early date.
 - (ii) Quote folio numbers in all their correspondences.
 - (iii) Consolidate holdings into one folio in case of multiplicity of folios with names in identical orders.
 15. Non-Resident Indian Shareholders are requested to inform the Company immediately the change in the residential status on return to India for permanent settlement.
 16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available electronically for inspection to the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to secretary@cochinshipyard.in.
 17. Members are requested to send all communications relating to shares to the Company's Registrar and Transfer Agents (RTA) at the following address:

Link Intime India Private Limited
 "Surya", 35, Mayflower Avenue
 Behind Senthil Nagar, Sowripalayam Road
 Coimbatore, Tamil Nadu – 641028
 Phone: +91 (422) 2314792, 2315792
 E-mail: coimbatore@linkintime.co.in

18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of SEBI Listing Regulations (as amended) and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-voting system as well as the e-voting system on the date of the AGM will be provided by NSDL.

19. Instructions to Shareholders for remote e-voting

- (i) The remote e-voting period begins on Monday, September 25, 2023 at 09:00 hrs. and ends on Wednesday, September 27, 2023 at 17:00 hrs. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members whose names appear in the Register of Members/Depositories' records, as the case may be, as on the cut-off date, Thursday, September 21, 2023, may cast their vote electronically. The voting right of Shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, September 21, 2023. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
- (ii) Shareholders who have already voted prior to the Meeting date would not be entitled to vote at the Meeting venue.
- (iii) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes Member of the Company after

the Notice is send through e-mail and holding shares as of the cut-off date i.e., September 21, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "**Forgot User Details/ Password**" or "**Physical User Reset Password**" option available on www.evoting.nsdl.com or call on 022 – 4886 7000 and 022 – 2499 7000. In case of individual shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e., September 21, 2023, may follow steps mentioned under "Access to NSDL e-Voting system" in point no. (iv) below.

- (iv) Process and manner of voting by electronic means

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode

In terms of SEBI Circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail address in their demat accounts in order to access e-Voting facility.

Login method for Individual Shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li data-bbox="499 344 1444 641">1. Existing IDeAS user can visit the e-Services website of NSDL viz., https://eservices.nsd.com either on a personal computer or on a mobile. On the e-Services home page click on the Beneficial Owner icon under Login which is available under IDeAS section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on Access to e-Voting under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the Meeting. <li data-bbox="499 651 1444 747">2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select Register Online for IDeAS Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp <li data-bbox="499 758 1444 1084">3. Visit the e-Voting website of NSDL. Open web browser by typing the URL https://www.evoting.nsd.com either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon Login which is available under Shareholder/Member section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository website wherein you can see the e-Voting page. Click on Company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the Meeting. <li data-bbox="499 1094 1444 1161">4. Shareholders/ Members can also download NSDL Mobile App NSDL Speede facility by scanning the QR code mentioned below for seamless voting experience. <div data-bbox="539 1185 1007 1467" style="border: 1px solid #0070C0; padding: 10px; margin: 10px 0;"> <p style="color: #0070C0; font-weight: bold;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li data-bbox="499 1487 1444 1655">1. Users who have opted for CDSL Easi/ Easiest facility, can login through their existing username and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/ Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing Myeasi username and password. <li data-bbox="499 1665 1444 1886">2. After successful login the Easi/ Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by the company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

Type of Shareholders	Login Method
	<p>3. If the user is not registered for Easi/ Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from the e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile & e-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option . Click on e-Voting option , you will be redirected to NSDL/ CDSL Depository website after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the Meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use **Forget User ID/ Forget Password** option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 – 4886 7000 and 022 – 2499 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

B) Login Method for e-Voting and joining virtual meeting for Shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode

How to Login to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the URL <https://www.evoting.nsdl.com> either on a personal computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon **Login** which is available under **Shareholder/ Member** section.
3. A new screen will open. You will have to enter your User ID, your Password/ OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL e-Services i.e., **IDeAS**, you can login at <https://eservices.nsdl.com> with your existing **IDeAS** login. Once you login to NSDL e-Services using your login credentials, click on **e-Voting** and you can proceed to Step 2 i.e., Cast your vote electronically.*

4. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
(a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****.
(b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your User ID is 12*****.
(c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example, if your folio number is 001*** and EVEN is 101456 then your User ID is 101456001***.

5. Password details for Shareholders other than Individual Shareholders are given below:

(a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

(b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

(c) How to retrieve your 'initial password'?

(i) If your e-mail address is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail address. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your e-mail address is not registered, please follow steps mentioned below in **process for those Shareholders whose e-mail addresses are not registered.**

6. If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password.

(a) Click on **Forgot User Details/ Password?** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

(b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

(c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/ folio number, your PAN, your name and your registered address etc.

(d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on **Agree to Terms and Conditions** by selecting on the check box.

8. Now, you will have to click on **Login** button.

9. After you click on the **Login** button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join Meeting on NSDL e-Voting system

How to cast your vote electronically and join Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the Companies' 'EVEN' in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select 'EVEN' of the Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the Meeting. For joining virtual meeting, you need to click on **VC/ OAVM** link placed under **Join Meeting**.
 3. Now you are ready for e-Voting as the voting page opens.
 4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on **Submit** and also **Confirm** when prompted.
 5. Upon confirmation, the message "Vote cast successfully" will be displayed.
 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- (v) General Guidelines for Shareholders
1. Institutional Shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cochin@mehta-mehta.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution/ Power of Attorney/ Authority Letter etc. by clicking on "**Upload Board Resolution/ Authority Letter**" displayed under "**e-Voting**" tab in their login.
 2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/ Password?**" or "**Physical User Reset Password?**" option available on www.evoting.nsdl.com to reset the password.
 3. In case of any queries/ grievance, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the **Download** section of www.evoting.nsdl.com. You may also send a request to Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013 at the e-mail address evoting@nsdl.co.in or call on 022 – 4886 7000 and 022 – 2499 7000.
- (vi) Process for those Shareholders whose e-mail addresses are not registered with the depositories for procuring User ID and Password and registration of e-mail addresses for e-voting for the resolutions set out in this Notice
1. In case shares are held in physical mode please provide folio no., name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN Card), Aadhar (self-attested scanned copy of Aadhar Card) by e-mail to Company's RTA at coimbatore@linkintime.co.in.
 2. In case shares are held in demat mode, please provide DPID-CLID (NSDL – 16 digit DPID + CLID or CDSL – 16 digit Beneficiary ID), name, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN Card), Aadhar (self-attested scanned copy of Aadhar Card) by e-mail to Company's RTA at coimbatore@linkintime.co.in. If you are an Individual Shareholder holding securities in demat mode, you are requested to refer to the login method explained at **Step 1 (A)** above i.e., **Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode**.
 3. Alternatively, Shareholders/ Members may send a request to evoting@nsdl.co.in for procuring User ID and Password for e-voting by providing above mentioned documents.
 4. In terms of SEBI Circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and e-mail address correctly in their demat account in order to access e-Voting facility.

20. Instructions for Members for e-voting on the day of the AGM

- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- (ii) Only those Members/ Shareholders, who will be present in the AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- (iii) Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- (iv) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

21. Instructions for Members for attending the AGM through VC/ OAVM

- (i) Members can join the AGM in the VC/ OAVM mode 15 minutes before the time scheduled for the AGM by following the procedure mentioned hereinafter.
- (ii) The facility to attend the AGM through VC/ OAVM is provided to the Members through the NSDL e-Voting system. Members may access by following the steps mentioned above for access to NSDL e-Voting system. After successful login, Members are requested to click on **VC/ OAVM** link placed under **Join Meeting** menu against Company name. The link for VC/ OAVM will be available in **Shareholder/ Member** login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above to avoid last minute rush.
- (iii) 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.
- (iv) Members are encouraged to join the Meeting through laptops for better experience.
- (v) Further, Members will be required to allow camera, if any, and use internet with a good speed to avoid any disturbance during the Meeting.

- (vi) Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience audio/ video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (vii) Shareholders who would like to express their views/ ask questions during the Meeting may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, demat account no./folio no., e-mail address and mobile no. at speakers@cochinshipyard.in from September 20, 2023 (08.00 hrs.) to September 22, 2023 (16:00 hrs.). The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- (viii) Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the Meeting. Relevancy of the question and the order of speakers will be decided by the Chairman.
- (ix) Members seeking any information with regard to annual accounts at the time of Meeting are requested to send their queries to the Company at least seven days before the date of Meeting so as to enable the management to keep the information ready.

22. Other Instructions

- (i) Persons who have acquired shares and become Members of the Company after the dispatch of Notice and hold shares as on cut-off date of September 21, 2023, may obtain the Notice and e-voting instructions by sending request to the Company's RTA, Link Intime India Private Limited at their e-mail address coimbatore@linkintime.co.in or download Notice and e-voting instructions from www.evoting.nsdl.com or Company's website www.cochinshipyard.in.
- (ii) The results declared along with the Scrutinizer's Report, will be placed on the website of the Company www.cochinshipyard.in and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of results by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's shares are listed viz., BSE Limited and National Stock Exchange of India Limited. The results shall also be displayed on the notice board at the Registered Office of the Company.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 6

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records of the applicable products of the Company.

The Board at its 273rd Meeting held on August 11, 2023 has appointed M/s. Rajendran Mani and Varier, Cost Accountants (Firm Registration No.: 000006), as the Cost Auditors of the Company for the financial year 2023-24 at a remuneration of ₹1,50,000/- (Rupees One Lakh Fifty Thousand only) per annum plus applicable taxes. As per Section 148(3) of the Companies Act, 2013, the remuneration of Cost Auditors is required to be ratified by the Members.

The Board accordingly recommends the resolution set out in item no. 6 of the Notice for the approval of the Members of the Company by way of an ordinary resolution.

None of the Directors/ Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution at item no. 6 of the Notice.

Item No. 7

As per Article 21 of the Articles of Association of the Company, the President of India has the power to appoint the Directors on the Board of the Company. Accordingly, Shri Bejoy Bhasker (DIN: 08103825) was appointed as the Director (Technical) of the Company by the Ministry of Ports, Shipping and Waterways, Government of India vide letter F. No. SY-11012/4/2017-CSL dated April 04, 2018 for a period of five years with effect from the date of his assumption of charge of the post i.e., April 05, 2018, or till the date of his superannuation, or until further orders, whichever is the earliest. The Ministry of Ports, Shipping and Waterways, Government of India vide letter no. SY-11012/1/2022-CSL dated February 15, 2023 extended his tenure as Director (Technical) for a further period from April 05, 2023 till the date of his superannuation i.e., May 31, 2025, or until further orders, whichever is earlier. His brief resume containing, qualification, expertise etc. is annexed herewith.

As per Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the first proviso thereto, the Company is required to obtain the approval of the shareholders at the next general meeting.

The Board accordingly recommends the resolution set out in item no. 7 of the Notice for the approval of the Members of the Company by way of an ordinary resolution.

Shri Bejoy Bhasker and his relatives are interested in the resolution to the extent as it concerns his appointment. None of the other Directors/ Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise, in the resolution at item no. 7 of the Notice.

Item No. 8

As per Article 21 of the Articles of Association of the Company, the President of India has the power to appoint the Directors on the Board of the Company. Accordingly, the President of India through the Ministry of Ports, Shipping and Waterways (letter no. SY-11012/1/2017-CSL dated November 21, 2022) appointed Shri Rajesh Kumar Sinha IAS (DIN: 05351383), Additional Secretary, Ministry of Ports, Shipping and Waterways, Government of India, as a Part-time official (Nominee) Director on the Board of the Company, in place of Shri Vikram Singh, under Section 161(3) of the Companies Act, 2013, with effect from November 21, 2022 until further orders. His brief resume containing, qualification, expertise etc. is annexed herewith.

As per Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the first proviso thereto, the Company is required to obtain the approval of the shareholders at the next general meeting.

The Board accordingly recommends the resolution set out in item no. 8 of the Notice for the approval of the Members of the Company by way of an ordinary resolution.

Shri Rajesh Kumar Sinha IAS and his relatives are interested in the resolution to the extent as it concerns his appointment. None of the other Directors/ Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise, in the resolution at item no. 8 of the Notice.

Item No. 9

As per Article 21 of the Articles of Association of the Company, the President of India has the power to appoint the Directors on the Board of the Company. Accordingly, the President of India through the Ministry of Ports, Shipping and Waterways (letter no. SY-11012/1/2017-CSL dated January 02, 2023) appointed Shri Biju Prabhakar IAS (DIN: 03093072), Secretary, Transport

Department, Government of Kerala, as a Part-time official (Nominee) Director on the Board of the Company, in place of Shri Jyothilal K R IAS, under Section 161(3) of the Companies Act, 2013, with effect from January 02, 2023 until further orders. His brief resume containing, qualification, expertise etc. is annexed herewith.

As per Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the first proviso thereto, the Company is required to obtain the approval of the shareholders at the next general meeting.

The Board accordingly recommends the resolution set out in item no. 9 of the Notice for the approval of the Members of the Company by way of an ordinary resolution.

Shri Biju Prabhakar IAS and his relatives are interested in the resolution to the extent as it concerns his appointment. None of

the other Directors/ Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise, in the resolution at item no. 9 of the Notice.

By Order of the Board of Directors

Kochi
September 05, 2023

Registered Office

Administrative Building
Cochin Shipyard Premises
Perumanoor, Ernakulam, Kerala – 682015
CIN: L63032KL1972GOI002414
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Syankamal N
Company Secretary
M. No. A25337

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT/ EXTENSION AT THE 51ST AGM [PURSUANT TO REGULATION 36(3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD – 2 ON GENERAL MEETINGS]

Name and DIN	Shri Madhu Sankunny Nair (DIN: 07376798)
Age and Date of Birth	57 years, January 05, 1966
Date of first appointment on the Board	January 01, 2016
Qualifications	Shri Madhu Sankunny Nair holds a degree of Bachelor of Technology (Naval Architecture and Ship Building) from Cochin University of Science & Technology in first class and Masters in Engineering (Naval Architecture and Ocean Engineering) from Osaka University, Japan.
Expertise in specific functional areas	Shri Madhu Sankunny Nair has more than 35 years of professional experience with the Company since joining as Executive Trainee in June 1988 in the entire gamut of Shipyard management. 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 was the driving force behind the Company's successful collaborations with international technology partners and bagging of significant international orders. Under his leadership, CSL has significantly transformed from a single unit company to a multi-unit company with seven units – main yard active in shipbuilding and ship repair, four ship repair units and two subsidiaries, spread across South, West & East coast of India.
Terms and conditions of appointment/ re-appointment	Shri Madhu Sankunny Nair assumed charge as the Chairman & Managing Director of the Company on January 01, 2016 vide the Ministry of Ports, Shipping and Waterways letter no. SY-11011/1/2009-CSL dated December 11, 2015. Further, the Government of India through the Ministry of Ports, Shipping and Waterways letter no. SY-11011/1/2009-CSL dated October 16, 2020 extended the tenure of Shri Madhu Sankunny Nair as Chairman & Managing Director for a further period of five years from January 01, 2021 or till the date of his superannuation or until further orders, whichever is the earliest. The terms and conditions of his employment including remuneration are prescribed by the Ministry of Ports, Shipping and Waterways, Government of India, in line with the applicable DPE Guidelines.
Disclosure of relationship between Directors and Key Managerial Personnel, inter-se	Nil
Skills and Capabilities required for the Role and the manner in which the proposed person meets such requirements.	Please refer to the chart on Skills/ Expertise/ Competencies of the Board of Directors in the Corporate Governance Report.
Details of remuneration last drawn (FY 2022-23)	₹83.17 Lakhs
Directorships in other Public Limited Companies (excluding foreign companies, private companies & section 8 companies)	Hooghly Cochin Shipyard Limited (HCSL) Udupi Cochin Shipyard Limited (UCSL) (wholly owned subsidiaries of CSL)
Listed entities from which the Director has resigned from Directorship since last three years	Nil
Membership/ Chairmanship of Committees in other Public Limited Companies	Chairman, Securities Offer, Allotment & Transfer Committee, Hooghly Cochin Shipyard Limited (HCSL)
No. of Board Meetings attended during the Financial Year 2022-23	6/6
No. of equity shares held in the Company:	
(a) Own	1400
(b) For other persons on a beneficial basis	Nil
Relationship with other Directors/ Key Managerial Personnel	Nil

Name and DIN	Shri Bejoy Bhasker (DIN: 08103825)
Age and Date of Birth	58 years, May 07, 1965
Date of first appointment on the Board	April 05, 2018
Qualifications	Shri Bejoy Bhasker holds a degree of Bachelor of Technology (Mechanical) from the University of Kerala with First Rank and Gold Medal. He also holds a degree of Master of Technology (Mechanical) from the Indian Institute of Technology, Madras. He has completed Advanced Diploma in Management from Indira Gandhi National Open University.
Expertise in specific functional areas	Shri Bejoy Bhasker joined the Company on June 29, 1988 as an executive trainee. He has more than 35 years of work experience with the Company wherein he was involved in Ship Design, Ship Building, Outfit and Ship Repair divisions of the Company.
Terms and conditions of appointment/ re-appointment	The Ministry of Ports, Shipping and Waterways, Government of India vide letter no. SY-11012/1/2022-CSL dated February 15, 2023 extended the tenure of Shri Bejoy Bhasker as Director (Technical) for a further period from April 05, 2023 till the date of his superannuation i.e., May 31, 2025, or until further orders, whichever is earlier. The terms and conditions of his employment including remuneration are prescribed by the Ministry of Ports, Shipping and Waterways, Government of India, in line with the applicable DPE Guidelines.
Disclosure of relationship between Directors and Key Managerial Personnel, inter-se	Nil
Skills and Capabilities required for the Role and the manner in which the proposed person meets such requirements.	Please refer to the chart on Skills/ Expertise/ Competencies of the Board of Directors in the Corporate Governance Report.
Details of remuneration last drawn (FY 2022-23)	₹65.72 Lakhs
Directorships in other Public Limited Companies (excluding foreign companies, private companies & section 8 companies)	Hooghly Cochin Shipyard Limited (HCSL) Udupi Cochin Shipyard Limited (UCSL) (wholly owned subsidiaries of CSL)
Listed entities from which the Director has resigned from Directorship since last three years	Nil
Membership/ Chairmanship of Committees in other Public Limited Companies	Nil
No. of Board Meetings attended during the Financial Year 2022-23	6/6
No. of equity shares held in the Company:	
(a) Own	Nil
(b) For other persons on a beneficial basis	Nil
Relationship with other Directors/ Key Managerial Personnel	Nil

Name and DIN	Shri Rajesh Kumar Sinha (DIN: 05351383)
Age and Date of Birth	57 years, March 27, 1966
Date of first appointment on the Board	November 21, 2022
Qualifications	Shri Rajesh Kumar Sinha is a 1994-batch IAS officer of Kerala Cadre and holds a Post Graduate Degree in Political Science.
Expertise in specific functional areas	Shri Rajesh Kumar Sinha is serving as Additional Secretary in Ministry of Ports, Shipping and Waterways (MoPSW), Government of India looking after the portfolio of Shipping matters in the Ministry. He has also been assigned the additional charge of Chief Vigilance Officer of the Ministry. Prior to joining as Additional Secretary, MoPSW, he has performed as District Collector, Secretary, Finance Department & Principal Secretary in Power, Forest/ Wildlife in the Government of Kerala. He has also worked in Urban Development, HRD and Energy Sector in the Government of India.
Terms and conditions of appointment/ re-appointment	Shri Rajesh Kumar Sinha was appointed as Part-time official (Nominee) Director on the Board of the Company, in place of Shri Vikram Singh, under Section 161(3) of the Companies Act, 2013 by the Ministry of Ports, Shipping and Waterways, Government of India vide letter no. SY-11012/1/2017-CSL dated November 21, 2022, with effect from November 21, 2022 until further orders. The terms and conditions regulating his appointment are determined by the Government of India.
Disclosure of relationship between Directors and Key Managerial Personnel, inter-se	Nil
Skills and Capabilities required for the Role and the manner in which the proposed person meets such requirements.	Please refer to the chart on Skills/ Expertise/ Competencies of the Board of Directors in the Corporate Governance Report.
Details of remuneration last drawn (FY 2022-23)	Nil. No remuneration is paid to the Government Nominee Directors.
Directorships in other Public Limited Companies (excluding foreign companies, private companies & section 8 companies)	Shipping Corporation of India Limited
Listed entities from which the Director has resigned from Directorship since last three years	Nil
Membership/ Chairmanship of Committees in other Public Limited Companies	Nil
No. of Board Meetings attended during the Financial Year 2022-23	1/1
No. of equity shares held in the Company:	
(a) Own	Nil
(b) For other persons on a beneficial basis	Nil
Relationship with other Directors/ Key Managerial Personnel	Nil

Name and DIN	Shri Biju Prabhakar (DIN: 03093072)
Age and Date of Birth	54 years, May 31, 1969
Date of first appointment on the Board	January 02, 2023
Qualifications	Shri Biju Prabhakar is an IAS Officer and holds a Bachelor's degree in Technology (Chemical Engineering) and a Master's degree in Business Administration. He is also a Law graduate.
Expertise in specific functional areas	Shri Biju Prabhakar is serving as Secretary, Transport Department, Government of Kerala and the Chairman & Managing Director of Kerala State Road Transport Corporation (KSRTC). Prior to his present posting, he has held various key positions in the Government of Kerala viz., Secretary, Local Self Government (Urban) Department, Secretary, Department of Social Justice and Women & Child Development, Secretary, Public Works Department, District Collector, Trivandrum, Commissioner of Food Safety, Director of State Lotteries, Director of Public Instruction, Executive Director of IT @ School - Vickers Channel, etc.
Terms and conditions of appointment/ re-appointment	Shri Biju Prabhakar was appointed as Part-time official (Nominee) Director on the Board of the Company, in place of Shri Jyothilal K R IAS, under Section 161(3) of the Companies Act, 2013 by the Ministry of Ports, Shipping and Waterways, Government of India vide letter no. SY-11012/1/2017-CSL dated January 02, 2023, with effect from January 02, 2023 until further orders. The terms and conditions regulating his appointment are determined by the Government of India.
Disclosure of relationship between Directors and Key Managerial Personnel, inter-se	Nil
Skills and Capabilities required for the Role and the manner in which the proposed person meets such requirements.	Please refer to the chart on Skills/ Expertise/ Competencies of the Board of Directors in the Corporate Governance Report.
Details of remuneration last drawn (FY 2022-23)	Nil. No remuneration is paid to the Government Nominee Directors.
Directorships in other Public Limited Companies (excluding foreign companies, private companies & section 8 companies)	Konkan Railway Corporation Limited KSRTC - Swift Limited Kochi Metro Rail Limited Kochi Water Metro Limited
Listed entities from which the Director has resigned from Directorship since last three years	Nil
Membership/ Chairmanship of Committees in other Public Limited Companies	Member in the Audit Committee of Kochi Metro Rail Limited
No. of Board Meetings attended during the Financial Year 2022-23	1/1
No. of equity shares held in the Company:	
(a) Own	Nil
(b) For other persons on a beneficial basis	Nil
Relationship with other Directors/ Key Managerial Personnel	Nil



COCHIN SHIPYARD LIMITED

REGISTERED OFFICE

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