



SEAMEC LIMITED

A member of **MMG™**

SEAMEC/NSE/SMO/361/16

8th September, 2016

To,
The Secretary,
National Stock Exchange of India Ltd.,
'EXCHANGE PLAZA,
Bandra Kurla Complex,
Bandra (East)
Mumbai - 400 001.

Sub: Financial Results of the Company for the Quarter ended 30.06.2016 - Regulation 33 and Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Further to our Letter Ref. No. SEAMEC/NSE/SMO/345/16 dated 31st August, 2016, we wish to inform you that the Board of Directors of the Company in its meeting held on 8th September, 2016 considered and taken on record the Unaudited Financial Results of the Company for the Quarter ended 30th June, 2016, along with the Limited Review Report in terms of Regulation 33 and Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The text of above results is enclosed herewith.

The Board Meeting commenced at 1200 hrs and ended at 1430 hrs.

Kindly take the above on record.

Thanking you,

Yours faithfully,
For SEAMEC LIMITED

S.N. Mohanty
PRESIDENT
Corporate Affairs, Operations and Company Secretary

Statement of Unaudited Standalone Financial results for the quarter ended June 30, 2016

(₹ in Lakhs)

Particulars	Quarter Ended	
	June 30, 2016 Unaudited	June 30, 2015 Unaudited (Refer Note 2)
1 (a) Income from Operations	4,662	8,679
(b) Other Operating Income	0	0
Total Income from Operations (a)+(b)	4,662	8,679
2 Expenses		
a. Consumables & Spares consumed	1,695	1,152
b. Employee benefit expenses (including offshore staff)	1,710	2,217
c. Depreciation and amortisation	1,174	1,155
d. Diving sub contractor cost	589	2,312
e. Other Expenses	891	1,115
Total Expenses	6,059	7,951
3 (Loss) / Profit from Operations before Other Income and Finance cost (1-2)	(1,397)	728
4 Other Income	439	674
5 (Loss) / Profit from ordinary activities before Finance cost (3+4)	(958)	1,402
6 Finance Cost	55	10
7 (Loss) / Profit from ordinary activities after finance cost and before tax (5-6)	(1,013)	1,392
8 Tax expense	103	173
9 (Loss) / Profit from ordinary activities after tax (7- 8)	(1,116)	1,219
10 Other Comprehensive income	3	(1)
11 Total Comprehensive income (9+10)	(1,113)	1,218
12 Paid up equity share capital (face value : ₹ 10/- each)	2,543	3,390
13 Earning per share (of ₹ 10/- each) (not annualised)		
(a) Basic	(4.39)	3.60
(b) Diluted	(4.39)	3.60

- The Company has adopted Indian Accounting Standard ("Ind AS") from April 1, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS-34 'Interim Financial Reporting' prescribed under Section 133 of Companies Act, 2013 read with relevant rules issued thereunder. The date of transition to Ind AS is April 1, 2015. The impact of transition has been accounted for in the opening reserves and the comparative period results have been restated, accordingly the opening balance sheet as at April 1, 2015 and the subsequent periods would get finalised along with the annual financial statements for the year ended March 31, 2017.
- The financial results and other financial information for the quarter ended June 30, 2015 have not been audited or reviewed by the statutory auditors. However, the Management has exercised necessary due diligence to ensure that the unaudited financial results provide a true and fair view of the Company's affairs.
- Reconciliation of Net profit as previously reported on account of transition from the previous Indian GAAP (IGAAP) to IND AS for the quarter ended June 30, 2015

Particulars	June 30, 2015 Unaudited (Refer Note 2)
	(₹ in Lakhs)
Net Profit under previous GAAP (net of Tax)	1,315
Adjustment of revenue as per Ind AS 8	(104)
Actuarial loss on employee defined benefit plan recognised in Other Comprehensive income	(1)
Fair value impact for Financial Instrument	9
Net profit for the period under Ind AS (net of Tax)	1,219
Other Comprehensive income	(1)
Total Comprehensive income under Ind AS	1,218

- Trade receivables and unbilled revenue as at June 30, 2016 includes ₹11,056 lakhs and ₹ 450 lakhs in aggregate, a sum of ₹ 11,506 lakhs receivables from Swiber Offshore Construction Pte. Ltd., Singapore ('SOC') and Swiber Offshore India Pvt. Ltd. ('SOIPL') and further, a sum of ₹ 1,175 lakhs receivable from SOC through the Company's co-contractor, in respect of contracts executed by the Company which were awarded to these entities by Oil & Natural Gas Corporation Ltd. (ONGCL). Subsequent to the quarter-end, on August 2, 2016 SOC and Swiber Holdings Limited, Singapore, parent company of SOC and SOIPL, was placed under 'Judicial Management' as per the directions of Hon'ble Singapore High Court. The Company has notified competent authorities in Singapore by lodging its claim in respect of dues from SOC. The management understands that Interim Judicial Managers (IJM) appointed by the Singapore High Court have submitted their report to that Court for rehabilitation of SHL and SOC, which inter-alia, includes a proposal for payment of approximately 8% of dues of unsecured creditors and also mentions about expression of interest a few investors for fresh investments in the Swiber Group. The said report of the IJM is under review by Hon'ble Singapore High Court. The Company has served notice for winding up of SOIPL and initiated legal proceedings seeking interim relief under section 9 of Arbitration and Conciliation Act, 1996 before Hon'ble Mumbai High Court. ONGCL, being end client, is also reviewing the situation as balance work of the contracts awarded to SOC and SOIPL needs to be completed in time bound manner and the company has notified ONGCL regarding amount receivable by the company from SOC and SOIPL. Management is taking all necessary steps to secure recovery of these sums and pending resolution of these matters, management believes that no adjustments to the financial results are necessary at this stage. The statutory auditors have qualified their review conclusion in this regard.

**SIGNED FOR IDENTIFICATION
BY**

**S R B C & CO LLP
MUMBAI**



5 In the past, the Company had entered into a Charter Party Agreement with a Charterer for chartering a vessel and provision of services, for which an amount of ₹ 2,273 lakhs was receivable by the Company. The Charterer was in turn having a contract with its Contractor which was ultimately responsible to its Principal Contractor. While on charter, there was an incident that allegedly resulted in damage to subsea pipeline of the Principal Contractor, and such damage was sought to be attributed to the Company. As on June 30, 2016, the Charterer has withheld payment of ₹ 1750 lakhs due to the Company (net provision of doubtful debts of ₹ 523 lakhs) until settlement of matter relating to the damaged subsea pipeline. During the previous year, the Company initiated legal proceedings against the Charterer in the Abu Dhabi Court without any positive outcome. The Company is also in discussions with the Charterer and other parties involved to reach a settlement and enable the Charterer to initiate necessary legal recourse against its Contractor. As a significant development discussion has been made with all concerned including principal contractor. On the basis of the information available with the Company, the Management is of the view that it will be able to recover the outstanding trade receivables. The Statutory Auditors have qualified their review conclusion in this regard and had also qualified their audit opinion for the year ended March 31, 2016.

6 There has been no development on the ongoing litigation pertaining to appeal pending before the Hon'ble CESTAT (Tribunal) on customs duties including penalties, Interest etc. to the tune of ₹ 11,970 lakhs. Similarly, the appeal pending before Hon'ble Mumbai High Court pertaining to alleged Foreign Exchange violation amounting to ₹ 1,000 lakhs, remains to be heard.

7 (a) For the year ended March 31, 2016, due to inadequacy of profits, the remuneration to the Managing Director exceeded the limit prescribed under Section 197 of the Companies Act, 2013 by ₹ 37 lakhs. The Company intends to submit application to Central Government to seek waiver from recovery of such excess remuneration. The Statutory Auditors in their Review Report on the Financial Results for the quarter ended June 30, 2016 have included an Emphasis of Matter in this regard, with similar reporting for the year ended March 31, 2016.

(b) In earlier years, the Company had made applications to Central Government for waiver from recovery of excess remuneration of ₹ 63 lakhs and ₹ 94 lakhs paid to Managing Director for the years 2011-12 and 2013-14. During the previous year, the Central Government declined the waiver for recovery of excess remuneration for the year 2011-12. The management filed a review application, drawing reference to Notification No. 46/2011 dated July 14, 2011 permitting listed companies to pay remuneration in excess of applicable limits subject to certain conditions being met. The Company had obtained an opinion of a legal expert in this regard, and submitted necessary confirmations to the Ministry, basis which it expects a closure of this matter for both years, and accordingly a recovery of such amount is not necessary.

8 Segment Report: -

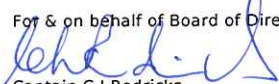
	Geographic Segment	Quarter Ended	
		June 30, 2016 Unaudited	June 30, 2015 Unaudited
1	Segment Revenue (net income from each segment)		
	(a) Domestic	4,662	8,621
	(b) Overseas	-	58
	Net Income from Operations	4,662	8,679
2	Segment results: ((Loss) / Profit before tax and Finance cost from each segment)		
	(a) Domestic	(1,253)	983
	(b) Overseas	-	(97)
	Total	(1,253)	886
	Less: (i) Finance Cost	(55)	(10)
	(ii) Other un-allocable income	295	516
	(Loss) / Profit before tax	(1,013)	1,392

Capital employed has not been identified with any of the reportable segments, as the assets used in the Company's business and the liabilities contracted are used interchangeably between segments.

9 The above unaudited standalone financial results have been reviewed by the Audit Committee and there after approved and taken on record by the Board of Directors at a meeting held on September 8, 2016.

10 Figures for the pervious period have been regrouped / reclassified where necessary to conform to the current quarter's classification.

Place: Mumbai
Date: September 8, 2016

For & on behalf of Board of Directors

Captain C J Rodricks
Managing Director



Limited Review Report

To
The Board of Directors
SEAMEC Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of SEAMEC Limited ('the Company') for the quarter ended June 30, 2016 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Trade receivables and unbilled revenue as at June 30, 2016 include Rs. 12,231 lakhs (including Rs 2,533 lakhs of revenue for the quarter ended on that date) and Rs 450 lakhs respectively recoverable from certain customers. As explained in note 4 to the Financial Results, subsequent to the quarter-end, the parent company of the customers has been placed under a legal process of 'Judicial Management' in Singapore for financial rehabilitation, which creates an uncertainty as regards ability of the parties to pay the amounts due to the Company. Consequently, we are unable to comment on the recoverability of these amounts, including any other consequential adjustments, if any, that may arise in this regard, in these Financial Results.
5. We further report that trade receivables as at June 30, 2016, include Rs. 1,750 lakhs (net of provision for doubtful debts of Rs 523 lacs) receivable from a charterer. As explained in note 5 to the Financial Results, this amount is withheld by the charterer until a settlement involving the Company is reached in this regard. Since this amount is subject to settlement and consequential adjustments, if any, we are unable comment on the recoverability of the same, including any other consequential adjustments that may be required to be made to these Financial Results. Our audit report issued for the year ended March 31, 2016 was similarly modified in respect of this matter.
6. We have not reviewed the accompanying Financial Results and other financial information for the quarter ended June 30, 2015 as included in the Statement, which have been prepared solely based on the information compiled by the Management.



SEAMEC Limited

Limited Review Report for the quarter ended June 30, 2016

Page 2 of 2

7. Based on our review conducted as above, except for the possible effects of the matters stated in paragraph 4 and 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
8. We draw attention to note 7(a) to the Financial Results, regarding remuneration of the Managing Director being in excess of the limits specified under the Companies Act, 2013 by Rs 37 lacs for the year ended March 31, 2016. Such excess remuneration requires approval of the Central Government of India, which the Company proposes to seek. Our conclusion for the quarter ended June 30, 2016 is not qualified in respect of this matter. This matter was referred to in our audit report issued for the year ended March 31, 2016.

For S R B C & CO LLP

ICAI Firm registration number: 324982E/E300003

Chartered Accountants

per Vinayak Pujare
Partner

Membership No.: 101143

Place: Mumbai

Date: September 8, 2016

