

TRANSCRIPT OF FIFTY-FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF GOA SHIPYARD LIMITED HELD ON WEDNESDAY THE 30TH SEPTEMBER, 2020 AT 1600 HOURS THROUGH VIDEO CONFERENCING.

The 54th Annual General Meeting (AGM) of Goa Shipyard Limited was held on 30th September, 2020 through video conferencing (VC) in accordance with the applicable provisions of the Companies Act, 2013 and as per the General Circular No. 20/2020 dated May 5, 2020 read with circular nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs. The deemed venue of the AGM was the registered office of the Company.

Present:

Sl. No.	Name of the Director/Invitee	Designation	Attended from
1.	Cmde B. B. Nagpal, IN (Retd)	Chairman and Managing Director	Registered Office, Vasco da Gama, Goa
2.	Smt Richa Misra, JS (Armed Forces)	Government Nominee Director	Through VC from New Delhi
3.	Shri T. N. Sudhakar	Director (Finance)	Registered Office, Vasco da Gama, Goa
4.	Capt. Jagmohan, IN (Retd)	Director (Corporate Planning, Project & Business Development)	Through VC from Registered Office, Vasco da Gama, Goa
5.	Shri Brajesh Kumar Upadhyay	Director (Operations) and member	Through VC from Registered Office, Vasco da Gama, Goa
6.	Smt Chhaya Jain	Company Secretary	Registered Office, Vasco da Gama, Goa
7.	CS Shweta Kharangate	Practicing Company Secretary, Secretarial Auditor	Through VC from Vasco da Gama, Goa
8.	CA Shailesh Mundaye	Partner of M/s. ABM & Associates LLP, Chartered Accountants, Statutory Auditors	Through VC from Kudal, Maharashtra

Members Present: 15 other Members attended the AGM through VC.

Pursuant to Article 89 of the Articles of Association of the Company, the Chairman & Managing Director, Cmde B. B. Nagpal (Retd), chaired the meeting.

The Chairman welcomed the members to the 54th AGM of the Company. He mentioned that in view of the massive outbreak of the COVID-19 pandemic and to maintain social distancing norms, the meeting was held through video conferencing in accordance with the circulars issued by the Ministry of Corporate Affairs. Thereafter the Chairman mentioned that requisite quorum for the meeting was present through video conferencing and announced that the meeting was properly constituted.

The Chairman informed about the sudden and sad demise of Shri V. Nagaraj on 26 Sep, 2020, who was the Part-Time Non-Official (Independent) Director on the Board of GSL and also the Chairman of Audit Committee, N&RHR Committee, SD & CSR Committee. He mentioned that GSL was immensely benefitted from valuable guidance and advice provided by him during his tenure. He expressed condolences on the sudden and unexpected passing away of Shri V. Nagaraj and mentioned that it is an irreparable loss to the Company.

Thereafter, the Chairman introduced all other Directors & Company Secretary attending the meeting. Then, the Chairman further introduced the invitees present at the meeting through VC, i.e. the Statutory Auditors and the Secretarial Auditor of the Company.

The Chairman informed that the Company has taken all feasible steps to enable the members to participate and vote in the AGM through VC.

Thereafter, the Chairman informed that the Register of Directors & Key Managerial Personnel and their Shareholding; and the Register of Contracts or Arrangements had been made available electronically for inspection by the members during the AGM. He further informed that as the AGM was held through video conferencing, the facility for appointment of proxies by the members was not applicable and hence the proxy register was not available for inspection.

Then, with the permission of the members present, notice convening the AGM was considered as read.

The Chairman, then, delivered his message on the operational & financial performance of the Company for the financial year 2019-20, export initiatives, future prospects and implementation of various Govt. initiatives/ programmes etc.

The following items of business, as per the Notice of AGM were transacted:

ORDINARY BUSINESS:

- 1. Adoption of Audited Financial Statements including Balance Sheet and the Statement of Profit & Loss, Reports of the Directors, Secretarial Auditor, Independent Auditors and Comments of the Comptroller & Auditor General of India.**

The Chairman stated that the Annual Report of the Company was sent by e-mail to the members on 8th September, 2020. With the consent of the members present, the aforesaid document was considered as read.

Thereafter, the Chairman stated that the Directorate of Naval Intelligence, Integrated Headquarters of Ministry of Defence (Navy) vide letter dated 23rd September, 2020 had suggested certain changes in Directors' Report for FY 2019-20 from Naval Security point of view and requested the Company Secretary to read out the suggested changes.

Company Secretary read out the following suggested changes:

"Para 20 of the Directors' Report had been deleted and Para 19 had been split into Para 19 and 20 and Para 19 read as follows:

P1135.6 Advanced Frigates: The preparatory activities for the complex P1135.6 Project are in full swing at GSL in coordination with the Russian Side and Indian Navy. The scope of services and material to be sourced from Russian Side has been finalised and all the required contracts/agreements have been concluded successfully. Considerable progress has been made wherein the specifications of all major equipment, essential for design process, have been finalised in line with the Contract.

Para 20 now reads as follows:

Procurement process for majority of the critical equipment with high lead time, especially pre-launch equipment is in advanced stages of order placement. Requisite training and certification of personnel for initial manufacturing requirement has been successfully attained. The related activities are progressing concurrently as per Project schedule.”

Then, the Chairman informed that these corrections had been incorporated in terms of the authority delegated by the Board and requested the members to note the same and adopt the Audited Financial Statements and the Directors’ Report with the aforesaid corrections.

The Chairman further informed that as per Clause 13.2 of Secretarial Standards on General Meetings issued by ICSI under Section 118(10) of the Companies Act, 2013, it was required to read the observation of Secretarial Auditor made in her report in the meeting and requested the Company Secretary to read out the relevant part of the Secretarial Audit Report on the observation made regarding the requirement of appointment of Independent Directors on GSL Board.

Company Secretary read out the following from Secretarial Auditor’s Report:

“From 1st April, 2019 to 22nd July, 2019 and from 7th January, 2020 to 31st March, 2020, the Company had only one Independent Director on the Board. As the Company did not have the requisite number of Independent Directors on its Board, the composition of Board of Directors was not in compliance with the applicable provisions of the Act and DPE Guidelines on Corporate Governance. Similarly, owing to inadequate number of Independent Directors, constitution of Audit Committee and Remuneration Committee of the Company were not in compliance with the provisions of the Act and said DPE Guidelines during the above period. I have been informed that the filling up of these vacancies is pending with the Administrative Ministry of the Company i.e. Ministry of Defence.”

The Chairman informed that explanation to the aforesaid observation had been given by the Board of Directors in their report, at Para 130, which is self explanatory.

Then, the Chairman proceeded for voting on the resolutions as set out in the AGM Notice and requested one of the members present to propose and any other member to second the resolution for adoption of Audited Financial Statements.

Shri Sharda Prasad, Deputy Secretary (NS), representative of President of India, proposed the following resolution as an Ordinary Resolution:-

“RESOLVED THAT the audited Financial Statements for the year ended 31st March, 2020 together with the Reports of Directors, Secretarial Auditor and the Independent Auditors as well as ‘NIL’ Comments on the Financial Statements by the Comptroller & Auditor General of India be and are hereby received, considered and adopted.”

Shri Rajeev Gopalrao Vaidya seconded the resolution.

Thereafter, queries raised by the members were answered. The Chairman put the resolution to vote by show of hands and declared that the aforesaid resolution was passed unanimously.

2. Declaration of Dividend.

The Chairman informed that the Interim Dividend of Rs 4.50 per equity share of Rs 5.00 each equal to 90% of the Paid-up Share Capital was paid during the year in March 2020. He further informed that the Board of Directors are pleased to recommend Final Dividend for the year 2019-20 at Rs 1.00 per equity share of Rs 5.00 each i.e. 20% of the Paid-up Share Capital subject to deduction of tax at source at applicable rates. The total outgo for Final Dividend will be Rs 11.64 Cr.

Thereafter, the Chairman requested one of the members present to propose and any other member to second the resolution for declaration of Dividend.

Shri D. Shome, GM (F-P&S) representative of Mazagon Dock Shipbuilders Limited, proposed the following resolution as an Ordinary Resolution:-

“RESOLVED THAT Interim Dividend of Rs 4.50 per equity share of Rs 5.00 each, equal to 90% of the Paid-up Share Capital, declared for the Financial Year 2019-20 by the Board of Directors on 16 Mar 2020 and paid to the members whose names appeared as (a) Beneficial Owners in the list of Beneficial Owners furnished by the depository and (b) Members in the Register of Members of the Company on 25th March, 2020 be and are hereby confirmed.”

“RESOLVED FURTHER THAT as recommended by the Board of Directors of the Company, the Final Dividend of Rs 1.00 per equity share of Rs 5.00 each i.e. 20% of the Paid-up Share Capital be and is hereby declared for the Financial Year 2019-20 and the same be paid to the Members whose names appear as (a) Beneficial Owners in the list of Beneficial Owners to be furnished by the depository and (b) Members in the Register of Members of the Company as at the close of business hours on 30th September, 2020.”

Shri Manoranjan Khuntia seconded the resolution.

Thereafter, the Chairman put the resolution to vote by show of hands and declared that the aforesaid resolution was passed unanimously.

3. Fixation of Remuneration of Statutory Auditors for the Financial Year 2020-21.

The Chairman informed that the Comptroller & Auditor General of India, vide letter dated 17 Aug 2020 received on 25 Sep 2020, had appointed M/s. ABM & Associates LLP, Chartered Accountants, Porvorim, Bardez, Goa as the Statutory Auditors of the Company for FY 2020-21 on a remuneration of Rs 3,00,000/- and

requested the members to consider fixation of the remuneration of Rs 3,00,000/- plus GST and out of pocket expenses at actual plus applicable taxes, if any, for the Statutory Auditors for FY 2020-21 as per the provisions of Section 142 of the Companies Act, 2013.

Then, the Chairman requested one of the members present to propose and any other member to second the resolution for fixation of remuneration of Statutory Auditors for FY 2020-21.

Shri Rajeev Gopalrao Vaidya proposed the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to Section 142 of the Companies Act, 2013 (‘the Act’) and Article 174 of the Articles of Association of the Company, the remuneration of Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act for the financial year 2020-21 be fixed at Rs 3,00,000/- plus GST and out of pocket expenses at actual plus applicable taxes, if any.”

Shri Hemant Sonawane seconded the resolution.

Thereafter, the Chairman put the resolution to vote by show of hands and declared that the aforesaid resolution was passed unanimously.

SPECIAL BUSINESS:

4 & 5 Appointment of Directors

The Chairman informed that the Ministry of Defence vide its letter dated 29th November, 2019 and 26th August, 2020 had appointed Capt. Jagmohan as Director (Corporate Planning, Project & Business Development) and Shri Brajesh Kumar Upadhyay as Director (Operations) of the Company respectively. Both the Directors had assumed the charge of their respective posts. He further informed that pursuant to the provisions of Section 152(2) of the Companies Act, 2013, the Board recommended the appointment of Capt. Jagmohan as Director (CPP&BD) and Shri Brajesh Kumar Upadhyay as Director (Operations) for the approval of the Members by passing an Ordinary Resolution separately for each individual Director.

Then, the Chairman requested one of the members present to propose and any other member to second the resolution for appointment of Capt. Jagmohan as Director (Corporate Planning, Project & Business Development).

Shri Sunil S. Bagi proposed the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the appointment of Capt. Jagmohan (DIN - 08630668), as Director (Corporate Planning, Project & Business Development) of the Company with effect from 15th December, 2019 (AN) on the terms and conditions as stipulated by the Government of India, be and is hereby approved.”

Smt Maya D. Chopdekar seconded the resolution.

Thereafter, the Chairman put the resolution to vote by show of hands and declared that the aforesaid resolution was passed unanimously.

Then, the Chairman requested one of the members present to propose and any other member to second the resolution for appointment of Shri Brajesh Kumar Upadhyay as Director (Operations).

Shri Kishore M Samant proposed the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the appointment of Shri Brajesh Kumar Upadhyay (DIN - 08852107) as Director (Operations) of the Company with effect from 1st September, 2020 (AN) on the terms and conditions as stipulated by the Government of India, be and is hereby approved.”

Shri Hemant Sonawane seconded the resolution.

Thereafter, the Chairman put the resolution to vote by show of hands and declared that the aforesaid resolution was passed unanimously.

6. Ratification of remuneration payable to the Cost Auditor appointed by Board of Directors of the Company for the Financial Year 2020-21.

The Chairman informed that in accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor had to be ratified by the shareholders of the Company and accordingly requested one of the members present to propose and any other member to second the resolution for ratification of the remuneration payable to the Cost Auditor appointed by Board of Directors of the Company for the financial year 2020-21.

Shri Manoranjan Khuntia proposed the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs 1,50,000/- plus applicable GST and out of pocket expenses at actual (maximum upto Rs 50,000/-) plus applicable GST payable to M/s S R Bhargave & Co, Cost Accountants, Pune, Maharashtra who was appointed by the Board of Directors of the Company as Cost Auditor to conduct the audit of cost records of the Company for the financial year 2020-21 be and is hereby ratified.”

Smt Smita Sanjay Amonkar seconded the resolution.

Thereafter, the Chairman put the resolution to vote by show of hands and declared that the aforesaid resolution was passed unanimously.

As there was no other business to transact, Smt Chhaya Jain, Company Secretary proposed vote of thanks.

Thereafter, the Chairman declared the meeting as concluded at 1700 hours.